



Section Two, Family Life



20 Page Sports Section

Race to finish for Damon Hill, page 1

MONDAY 23 SEPTEMBER 1996

# Voters would back Lib-Lab coalition

**ANTHONY BEVINS** Political Editor

The Liberal Democrats yesterday opened the political conference season in Brighton amid indications that a clear majority of voters wants the party to sustain Labour in office, if Tony Blair fails to win an outright Commons majority at the next election.

But the embarrassing question of party mergers and alliances immediately exposed the deep divisions in the Liberal Democrat ranks.

An ICM "State of the Nation" poll reveals today that, in the event of a bung Parliament with no overall Labour majority, 35 per cent of voters would want Labour to offer the Liberal Democrats Cabinet scats in a minority Blair Gov-

A further 24 per cent would want Mr Blair to agree to a programme of legislation with the Liberal Democrats, in return for their Commons backing, according to the poll commissioned by the Rowntree Trust and the Daily Mirror.

As the party assembled for in day Paddy Ashd desperately tried to avoid questions about the consequences of a hung Parliament. He told BBC television's Breakfast with Frost that it was "statistically unlikely", and what people really wanted to know was what the parties stood for. But he then went out of his way

to align himself with "the formidable figure" of Kenneth Clarke, the Chancellor of the Exchequer, and Mr Blair, whom he admired for "the courage in which he has sought to bring his party

The political closeness between Mr Paddy Ashdown: Close to Blain

QUICKLY

Early birds doing bird?
More than a quarter of the immates released early from prison after confusion

over the length of their sentences have already re-offended, according to pro-

to drugs and have started to buy lottery

tickets, new research shows. Page

The heated church-state battles gener-

a victory for the church - in terms of

Privatisation of Britain's air traffic con-

ment's agenda and an announcement could be made as early as next month's

SafetyNet catches porn
The Government will today try to assuage growing fears about child pornog-

A new survey of public attitudes towards

Welfare still popular

Privatising air control

crowd turn-out at least.

Tory party conference.

catch lawbreakers.

Holy crowds show faith

bation officers.

Ashdown and Mr Blair was then in who sits where in Parliament." opened up by Alex Carlile, leader of the Welsh Liberal Democrats, He told BBC television's On the Record; "It is quite clear from the political atmosphere in the House of Commons, the atmosphere between the Blair office ... and the Ashdown office, that there are matters upon which there is a consen-

"I think that the parties... are bring-ing ideas together and that really has in the end an inevitable consequence for the parties slowly coming together."

Mr Carlile added that his party should also accept the offer of seats in Labour-led government

sus and there is, above all, a willingness

to develop that consensus if necessary.

Embarrassed, if not annoyed, by the clear diversion from the conference's policy-punching agenda, Mr Ashdown said: "What matters is the policy, not the people. I have never been interested



But he did confirm his known view on consensus, saying: "If there are sensible areas where we can work together in order to put into practice what we believe, and in order to deliver what this country needs, we shall work together with them.

But Alan Beith, the party's deputy leader, scathingly dismissed Mr Carlile's views, adding that he was standing down at the next election. "I don't see the Labour Party and the Liberal Democrats coming together," he said. "We are distinct parties, with a distinct identity in policy and beliefs."

Underlining the antipathy to Labour m parts of the party, Sir David Steel, the former Liberal leader who helped sustain James Callaghan's Government in office during the Seventies, told a conference rally last night that Labour represented "No Danger", not "New

However, Sir David also echoed the results of today's poll when he said: "If there is to be - as I fervently hope -a change of government, I firmly bewill depend crucially on the size, influence and power of the Liberal Democrats in the next Parliament."

The point of party friction is over the degree of co-operation and alliance Backing Mr Beith's repudiation of Mr Carlile, Treasury spokesman Malcolm Bruce said: "We're not going to be seduced by a simple offer of some kind of share in office as a result of an accidental freak of an out-turn at a gen-

> Seaside guide, page 4 Leading article, page 13, Politics in a State, page 14

## Kiss-and-sell bishop 'is like a Judas' MICHAEL STREETER

Serial sexual liaisons may be bad enough, but selling serial rights

is beyond the pale. The full force of the Roman Catholic Church appeared to descend on the runaway bishop yesterday after he sold the story of his love for divorce Kathleen MacPhee to the News of the World.

Father Roderick Wright, who gave the interview to the newspaper for a "five-figure" sum, was likened to Judas, and a Government minister was even moved to public castigation.

At the end of two weeks of revelations about his two women and son, selling the story was the last straw.

At St Columba's Cathedral, Oban, in the hishop's former Diocese of Argyll and the Isles. the congregation was told by Fa-ther Sean MacAulay: "Like Christ was betrayed by someone in his group for 30 pieces of silver, perhaps we feel similarly be-trayed at this moment in time."

Deacon Roddy Johnston said at least one parishioner had referred to the former bishop as

trator of the Diocese, said be felt creasingly upset as they learnt betrayed" that Pather Wright had accepted the "pot of gold".

Even Ann Widdecombe, the fathered a son, and "two-timed" Catholic Home Office minister,

appropriate" for a cleric in his position to sell his story. In the interview in vesterday's News of the World. Father Wright, 56, who was pictured

weighed in, saying it was "not

he resigned, at their "hide-away" Lake District cottage, told how he had unsuccessfully fought against his love for her but had failed. He said that their relationship was not sexual hut

they now wanted to marry . The former priest, who disappeared again yesterday from the cottage, also spoke of a "very guilty conscience" over his reatment of former girlfriend Joanna Whibley and their 15year-old son, Kevin. "I apologise to my family and relations and other priests, who have

been very deeply hurt by this." However, his public statements in a newspaper renowned for its "kiss and tell" sex exclusives, angered those who wanted him to give a press conference.

Even his justification of giving his "modest" newspaper payment - rumoured to be around £15,000 - to Ms MacPhee's three children was described as

"extraordinary". Archhishop O'Brien said: "It seems to be extraordinary if the money is to go to that woman's [Ms MacPhee's] children when he has a son of 15.

Explaining the level of anger Archbishop Keith O'Brien, over the interview, he said Dioacting as Apostolic Adminis- cesesan members had grown in-Ms Whibley before taking "a pot of gold".

The Archbishop, urging Fa-ther Wright to come to the Church for counselling, also warned him over marrying a divorcée, thus losing the right to

#### with Ms MacPhee, over whom take Communion. Section 2

WHERE

TO ACQUIRE

A TASTE

## Power vacuum alarms Russia

Youngsters and the habit PHIL REEVES Britain's teenagers are smoking more, experience the greatest ever exposure

Russia was last night facing months of political limbo after one of President Boris Yeltsin's doctors said that his bypass operation may have to be post-poned, or even cancelled, because his ated by the four-day visit to France of

heart is too damaged for surgery. Pone John Paul II, ended yesterday with The doctor chosen to lead the operation, Renat Akchurin, said last night that the 65-year-old President would have to wait up to two months to minimise the risk. Earlier he had suggest trol network is back on the Govern-

ed that surgery might be impossible. The revelations swept like an electric sbock through Russia's political establishment, which is well aware that, without the operation, the incapacitated Mr Yeltsin would be a president in little more than name only.

In a measure of the gravity of the sitraphy on the Internet by lending its uation, Russia's news agencies, the usu-weight to an industry-backed initiative and help to both protect children and help to Page 7 the president's health. Only cautious mentions were made on television unfil Mr Akchurin's appearance.

The president's team of surgeons will meet later this week to decide whether the welfare state shows that there are high levels of support for an increase to proceed. Mr Yeltsin, who spent a secin pensions and other benefits - despite ond weekend in hospital, has previousthe efforts by Reader's Digest magazine, ly acknowledged that doctors have told which commissioned the study, to him he would have to slow down his life present the results as evidence of a drastically if he does not have surgery. In effect, he would become a lame

duck, capable of working a couple of hours a day at most. His absence would give further momentum to the struggle for power among his inner circle, crush ing hopes - felt strongly in the West that his re-election in July would produce a period of stability.

Previous official attempts to depict Mr Yeltsin's heart bypass operation as routine were made to look silly when senior surgeons made clear that he faces a difficult operation with the risk of complications. Earlier Mr Akchurin disclosed in a US

television interview that the president

must have had another heart attack, his

third in late June or early July - between the first and final rounds of the presidential election. It was hushed up to prevent it damaging his re-election chances In a separate interview, Mr Akchurin said that the operation might be cancelled because it was too risky, although he said the "most likely [outcome] is that the operation will be

postponed. If the risks are high, no one

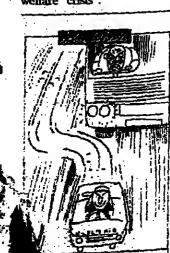
will want to take the chance ... a surgeon

does not jump out of a plane without a If the operation goes ahead, Mr Yeltsin will hand over his powers to his prime minister, Viktor Chernomyrdin. If the president is incapacitated, or dies, then the Russian constitution states that the premier remains in charge until an



Toe-curling: German artist Silke Elisabeth Detuners shows 'Shoes For Cinderella's Sister' at the open day for Carpenters Road Studios in East London. More than 90 artists have are now based in what used election is held, within three months. I to be a cosmetics factory

## DoT wheels out its latest road-rage shock



CHRISTIAN WOLMAR Transport Correspondent

Four-wheeled electric cars, capable of nearly 30mph and which could be driven by anyone over 13 or motorists hanned from driving, could soon he on British roads under plans put forward by transport

ministers. The drivers would not require a licence or insurance and would be able to use cycle lanes. The proposal, which would not require legislation the the use of electric hicycles, was slipped out without publicity last month in a Transport Department consultation paper.

Road-safety groups and antidrink-drive campaigners are furious, as the proposals would allow disqualified drivers to get back on the road immediately after conviction.

In France, similar vehicles are already in use, mainly by drunk drivers, and teenagers who sometimes tamper with the engines to make them go faster than the 45kph (28mph) for ers and unlimited weight.

The DoT paper presents have been consulted on the is-three options, the first of which sue were contacted by the Inspecifies: "Fully powered with-out any need for human assistance for propulsion; by limited to the number of wheels or number of people carried; no limit on weight, maximum power IKW [currently 0.25Kwm]; maximum speed 25kph (15.5mph) or 45kph (28mph)."

The other two options would require stricter limits, including a 25kph maximum speed hut would still permit four-wheel-

dependent, which found most were unaware of the plan, be-cause the consultation paper did not explain the implications. Lynn Sloman, deputy direc-

tor of Transport 2000, the pro-public transport group, said: We just put it in the recycling bin. We had no idea of the implications, which could be disastrous for pedestrians." Dave Rogers, transport safe-

ty officer of the Royal Society

for the Prevention of Acci-

Maria Cape, spokeswoman for the Campaign against Drink Driving, said: "This is a very odd suggestion from a government which has spent a fortune on anti-drink-driving campaigns.

30mph almost half of people hit by vehicles are killed, while at

20mph very few are."

# FOR OYSTERS

ROLEX

The seamless Oyster shell of a Rolex chronometer is hewn from a single block of stainless steel, 18ct. gold or platinum. Within it lies a self-winding movement that has taken over a year to create. With prices starting at £1,400, the Oyster you always promised yourself is available from the Harrods Watch Department on the Ground Ploor. Not, we might add, from the Food Hall.



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home available in 18ct yallam gold priced £10,430, idnite gold £11,140 and platinum £17,890

## Tories size up air-traffic sell-off

**CHRISTIAN WOLMAR** Transport Correspondent

Privatisation of Britain's air-traffic control network is back on the Government agenda and an announcement could be made as early as next month at the

Tory party conference. The controversial plan to sell off the air-traffic control system, worth £600m, was slielved last year after united opposition from airlines, pilots trade unions unions and concern from other European countries that their airlines would be

However, the Treasury is keen to see National Air Traf-

One of the major remaining re-

strictive practices enjoyed by

barristers is set to he swept away

with the granting of new rights

to Crown Prosecution Service

lawyers and other employed so-

licitors to present cases in the

tion from the Bar, supporters

within the Government are

confident that the move is on

course to be approved, after fi-

nal discussions scheduled to

The reform will almost

complete the shake-up of the

legal establishment put in train a decade ago by Mar-garet Thatcher, who set Lord

Mackay, the Lord Chancellor,

on the uphill task of disman-

tling the respective monopo-

lies enjoyed by solicitors and

harristers.
The Lord Chief Justice and

the three beads of divisions of

the civil courts must all agree to

the reform. If, as is expected.

agreement is forthcoming, CPS

solicitors will be able to appear

in Crown Courts without in-

structing outside counsel. So-

licitors employed by companies.

councils and local authorities

will be allowed to present or de-fend civil cases in the High

The granting of the new

rights to CPS solicitors will be

a blow to harristers, who have

fought tooth and naif against

the change, arguing that lawyers employed by the service

would be insufficiently "inde-

Court and above.

be concluded next month.

Despite strenuous opposi-

higher courts.

fic Services (Nats) privatised be-

Although this would require rimary legislation, officials are convinced it could be carried out in time if it were done through a trude sale to an existing company rather than flotation on the tock Exchange.

The revived plan has emerged because of doubts over the future of the planned Scottish control centre at Prestwick. This £230m facility was due to have been given the go-ahead as a Private Finance Initiative, which means it would have been funded by private

Air-traffic control is now

both for overflying Britain and landing or taking off. However, ministers have long been concerned that new investment is stymied because of public-sec-

tor borrowing requirements.

The initial solution was to bave used the Private Finance Initiative to fund the new cen-tre at Scotland, which will be one of only two for controlling overflying aircraft in Britain. The other, at Swanwick, in

has also been hit by delays and is now not due to open until next Now, however, there are se-

Hampshire, and costing £350m,

rious doubts whether the cen-

tre in Scotland will ever be built and whether all operations will be concentrated at Swanwick. The Civil Aviation Author-

ity bas launched a secret review of the two-centre strategy fol-lowing concerns that both bids for Prestwick are too high.

A leaked letter to Brian

Donohoe, Labour MP for Cunninghame South, which covers Prestwick, from Ron Stafford. the project director of AyrTec, one of the two consortia on the shortlist to build the centre, says: "It is now our understanding that the two-centre strategy review will conclude that two centres are not required and

that to have only one centre would jeopardise safety, as a failure would lead to overworked foreign centres having to take on the work and suggests

the risk is too great. Moreover, he says that the existing control centre at Prestwick, "which controls all high-altitude traffic from a line near Manchester to the Arctic Circle, is over 20 years old and suffers frequent failures".

Mr Stafford adds in a reference to privatisation: "Nats's decision to abandon the twocentre strategy may be driven by wider agendas. We do not believe that these considerations

imminent." Mr Stafford warns should be placed ahead of passenger safety and the national

> The unions have long campaigned against privatisation because of fears that safety would be compromised by the profit motive. Joe Magee, avi-ation officer for the air-traffic controllers' union, IPMS, said: The Government is seeking to resurrect the discredited policy of privatisation to get out of the shambles created by the Private

Finance Initiative. Privatisation was rejected two years ago by the industry, MPs and staff, hut now the plan is being resurrected in a plan to raise cash

## significant shorts

#### Warning on danger of meningitis for adults

Meningitis is a threat to adults as well as children, health campaigners warned vesterday at the start of national meningitis awareness week.

The disease, an inflammation of the lining of the hrain, affects up to 2,500 people a year in Britain and cases of the most lethal strain, the meningococcal, are increasing, the National Meningitis Trust said.

Ray Thompson, a spokesman, said: "People of any age can get meningitis. The highest-risk age-groups are birth to seven, 16 to 25 and over 50." Louise Jury

#### Value of pay 'rises by 26%' under Tories

The value of British workers' take-home pay when inflation is taken into account increased by 26 per cent between 1979 and 1994, a report said yesterday. The corresponding figure for France was 1.8 per cent and for Germany it was 2.5 per cent, said Dr Walter Eltis, an economist who analysed data from the Organisation for Economic Cooperation and

Development. Dr Eltis, economic adviser to Michael Heseltine while he was President of the Board of Trade, pointed out in his eport for the Centre for Policy Studies that since 1980 increases in benefits in Britain had been linked to prices, whereas in France and Germany they had been linked to wages. As a result, British workers have not had to share the fruits of economic growth with pensioners and the unemployed".

## Prayers for

dead pensioner Prayers were said yesterday for the pensioner who died from a stroke hours after heing raped as she returned from posting a letter.

More than 100 police officers continued the hunt for the man who attacked Vera Lincolnshire. Prayers were said at St John's Methodist Church in the village, which she attended.

Police have had a number of reported sightings of a man in the area. They are hunting a stocky, 6ft-tall man in his 30s. He was wearing jeans, a dark jumper and woollen

#### Car thieves exploit logbook flaw

A government agency was accused of failing to plug a loophole that lets car thicves ohtain a duplicate log book for a vehicle they want to

Police have found as many as six cars with the same registration plate - and their owners all believing they had bought the vehicles legally, according to last night's.

World in Action on ITV. Labour called on the Driver and Vehicle Licensing Agency in Swansea and the Government to halt such

The programme said thieves took details from a car of the kind they wanted and applied for a registration document, saying they had not received one. A document was issued if the agency found no trace of the last registered owner, the programme said.

#### TV recordings checked after canal rape

Detectives hunting a gang of

teenage rapists who

attacked an Austrian tourist and pushed her into a canal were last night studying security camera footage. The 32-year-old mother-oftwo, in London for a weekend shopping trip, was attacked in the early bours of Saturday after she went for a stroll from her hotel in the King's Cross area. She was followed by a gang of four black and two white youths, aged hetween 14 and 20. When she got to a canal footpath she was grabbed, stripped and subjected to sexual assaults. After the attack the youths asked the woman if she could swim. When she said "no", they pushed her into the canal. The woman could in fact swim and made her. way to the opposite bank where she raised the alarm. Detective Superintendent Keith Manktelow, a police spokesman, said: "It was an absolutely horrendous act of violence. They acted like animals. It's particularly disturbing that her attackers were so young."

#### One in three workplaces hit by RSI

Repetitive strain injury is a "major problem" in one in three workplaces, a report said yesterday. Banking and finance workers were worst affected although half of civil service offices are also being hit, research for the TUC found. The main cause of RSI is the use of visual display units, the survey of safety officers in 7,000 workplaces showed. A special IUC conterend called on designers to help prevent RSI and help sufferers back to work. Dick Pickering, a general council member, said: "RSI is caused by badly designed tools, equipment and conditions. Workers should

key role to play. They should be designing so that jobs fit the workers, ratber than fitting the workers to the joh." RSI affects between 100,000 and 200,000 workers every year and costs industry £1bn

be protected from the causes

of RSL and designers have a

a year in sick pay and lost production, the TUC estimated.

#### £10m winner

A single ticket scooped this week's National Lottery jack-pot to win £10.101.049. The win-ning numbers were 41, 35, 8, 7, 30 and 12, and the bonus num-

#### THE INDEPENDENT ABROAD

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#### On Tuesday 8th October, BT introduce a telephone table

everyone

will appreciate.

THEY THINK IT'S ALL OVER ..

#### Bar loses fight against Thatcherite reforms, reports Patricia Wynn Davies barrister memhers' objections.

Making waves: Members of a Swansea martial arts group perform Shin-Ki-Kai, a form of Akido, on Rhossili beach

Solicitors set to present

cases in higher courts

pendent". The former Lord Chief Justice, Lord Taylor, took the same view. The Bar, fearful of the loss of Crown Court work for young and middleranking barristers, hoped he would exercise his right of veto, but ill health forced his early

In June last year the Lord Chancellor's Advisory Committee on Legal Education and Conduct (Aclec), which was responsible for the initial recommendation, decided against extending the rights on the casting vote of the chairman, law

lord and former barrister Lord Steyn, who agreed with the

But Lord Taylor's successor, Lord Bingham, who will give his first public press conference at the end of next week, supports the change. Barbara Mills QC, the Di-

rector of Public Prosecutions, has consistently pressed for the reform, which will mean that prosecution advocates will be used according to criteria of efficiency, cost and experience for the first time. A major saving will come

through a reduction in the high number of briefs "returned" by barristers at short notice because of clashes with other cas-



Reform supporters: The Lord Chief Justice, Lord Bingham (left) and Barbara Mills, the Director of Public Prosecutions

slowly.
Following consultations with

the Attorney General, Sir Nicholas Lyell, who is ex offi-cio head of the Bar, it is understood that only 5 to 10 per cent of Crown Court cases will be handled by solicitor advocates, following appropriate training, for the foreseeable future. That contrasts with a 15 to 20 per cent figure that was mooted earlier.

es. Change, however, will come

It is also expected that the new hreed of advocate will concentrate initially on guilty pleas and pre-trial hearings for directions. That is because under current conditions it would be cheaper to instruct an outside barrister to conduct an average

Resistance to the change has become increasingly untenable. Solicitors employed in private practice can already qualify to handle cases in the Crown Courts and the High Court - although harristers succeeded in campaigning for this to be made so difficult that there are as yet very few solicitor advocates.

The remaining change - the granting of audience rights to barristers employed in the commercial sector and government departments (there are only two barristers currently employed in the CPS) - is expected to follow at a later date. At that point the Thatcherite revolution will have been

## 'Hundreds' of Catholic clergy in secret liaisons

Photograph: Martin Ellard / Dragaon News

with the relationships was that

they were initiated by the

priests, who had on occasions

abused their position of power.

gone for pastoral care and the

situation has been taken ad-vantage of." Ann, herself in-volved with a priest, said that most of the clerics were emo-

tionally "extremely" immature but reserved most of her criti-

cism for the Catholic hierarchy.

to listen to all the women and in-

deed listen to their men. They are

not doing them any favours by

constantly treating them as if any

aison with a woman somehov

One hopeful sign was a meet

up and a senior bishop,

ing due shortly between the

who had reacted positively to

their call for a more open and

Seven-Eleven thinks celiba

y should be an option, separate

from that of a priestly calling.

and wants the church to set up

a body which would consider al-

bumane attitude, she said.

indicates they are sick."

"We want to get the bishops

"In some cases women have

MICHAEL STREETER

A new organisation for women who have children by priests is being set up by a mother whn says her two children were fathered by a Roman Catholic Adrianna Alsworth, founder

of Sonflowers, said it was needed because women who have had relationships with priests nften have no one to turn to. "There is nobody else to give them advice. They have been in-

valved with men they first thought were caring, and powerful. But if a priest is told to stop seeing a woman, she can feel abandaned."

"Catholic priests are men who are called Father by everybody, except their children, who can unly call them uncle," said Ms Alsworth. She named the fa-ther of her two daughters -Catherine, three and 18-monthnld Francesca - as Father Dermot O'Gorman.

An existing support group for women who have relationships with Catholic clergy sald yesterday there could be "hundreds" of priests involved in

Eleven, named only as Ann, said the group knew of 80 liaisons for certain, but agreed that, based on hearsay evidence, there were "hundreds" in total. Speaking nn BBC Radin Four's Sunday programme, she

legations of professional mls-There was a move in this di-The spokeswoman for Seven-

rection at the weekend when Archbishop Keith O'Brien, of St Andrews and Edinburgh, said the Catholic Church in Scotland may consider calling in outside help to investigate future claims concerning the be-

## Labour bashes 'bloated' Beeb

JOHN RENTOUL Political Correspondent The BBC and Tony Blair's of-

fice were embroiled in an argument yesterday over Labour claims that it was a bloated.

overstaffed "Auntie's army".

The BBC fought back after
Alastair Campbell, the Labour leader's press secretary, launched a pre-emptive strike against a *Punorania* programme to be shown next Monday. He said the BBC had 410 people accredited for Labour's Blackpool conference next week, and compared the 188 staff at the BBC's Westminster office to his own staff of two press officers.

A BBC source told the Independent: "If he wants to cut the numbers, we can stop covcring party conferences." A spokeswoman said the BBC

one-third of wbom were programme-makers. The rest were technical support staff or managers who needed to gain access to the conference area for a single event, such as receptions. The numbers were down on last year, but could not provide any figures to indicate by how much.

She emphasised that the BBC had two national television channels, five radio stations, separate services in Scotland. Wales and Northern Ireland, as well as English regions and the

Mr Campbell yesterday stood by his attack on the corporation. which could signal a repeat of Harold Wilson's deep suspicion of the it. Speaking on BBC radio yesterday, Mr Campbell kept up

the onslaught on the Panorama

film, which has not yet been fin-

want is to have the start of Labour conference dominated by a great hoo-ha about Labour Party spin-doctors. The film is likely to include

footage of Labour officials seeking to persuade BBC journalists bow to report events. Charlie Whelan, press officer to Gordon Brown, the shadow chancellor, has been filmed telling a BBC reporter which part of Mr Brown's statement he should use in a news bulletin. Mr Campbell became irri-

tated with the Panorama team when he discovered that reporter Steve Bradshaw was being filmed while on the telephone to Mr Blair's office.

In his Sunday Times article yesterday he said "senior sources" in the BBC had told him *Panorama* was "hoping I eventually get so fed up being

porter". But a BBC executive said yesterday that Mr Campbell's claim that the programme was commissioned as "revenge" for Labour's successful court case against Punorama's interview with the Prime Minister on the eve of tast year's Scottish local elections was "preposter-ous". He added that Steve Hewlett, editor of Panorama, was a "populist, who isn't realinterested in politics, and be thinks that what is interesting is spinning and spin-doctors".

Mr Campbell's onstaught appears to have heen designed to exploit internal BBC divisions over the programme. The de-cision to schedule it for the day before Mr Blair's conference speech was taken when Clare Short, demoted to overseas-development spokeswoman, at-tacked "the people in the dark"



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Months in moving surviving and and other become an inchies. There is increasing access to due with the numbers experstance using the could between chan

Probation officers v REBECCA FOWLER

A set offender wandered into cept to lace with his victim on the how had been freed him ane with his victim on the same day he had been freed him had been freed had been freed had been freed him had been freed had been freed had been freed him had been

The National Association of Idiation Officers (Napo) oms some of the most hardhed climinals, were set free ithout any supervision. It also Ended conthave already red, compared to the usoe of 8 per cent.

Drink, drugs, and gambling are on the increase. Louise Jury reports



# Affluent lifestyle leading children into temptation

more, buying more lottery tickets and experience the greatest ever exposure to drugs.

According to the latest findings from the Schools Health Education Unit of Exeter University, oearly a third of 14 and 15-year-olds had smoked at least one cigarette in the last week, the highest figure recorded in the 10 years the unit has been monitoring young people.

By the age of 13, 40 per cent of the boys and half the girls had tried smoking

And the National Lottery is proving a new temptation to young people with a quarter of 14 and 15-year-old boys and 16 per cent of 12 and 13-yearolds admitting spending cash on it in the last week.

The survey of 24,000 children aged 10 to 15 confirmed a lifestyle of increasing affluence - reflected in smoking, gambling

and other leisure activities. There is increasing access to drugs with the oumbers experimenting with some illegal substance rising fivefold between

Britain's teenagers are smoking 1989 and last year. Three-quarters of children over the age of illegal drugs is the highest its 11 now say they know a drug

> Nearly a third of mid-teeo boys and a quarter of girls have tried cannabis at least once. Around one in 12 has tried LSD or another hallucinogens. Six per cent of the 12 and 13-yearolds had tried cannabis.

By the age of 13, 40 per cent of boys and balf the girls have tried smoking. Sixteeo per ceot of boys and 22 per cent of girls in the mid-teeo bracket called themselves regular smokers.

Nearly all wanted to give up. A fifth of 14 and 15-year-old girls were able to buy cigarettes from a shop and 23 per cent of the boys purchased al-cohol from an off-licence. Almost half the boys drank

beer or lager during the previous week with 7 per cent drinking more than 21 units. Nine per cent of the girls drank 14 units or more, until recently the Government's maximum recommeoded limit.

Dr David Regis, one of the researchers, said: "Sometimes our figures are used to indulge in young-people bashing.

"But overall, youngsters are moderate. They're experimenting with things a bit sometimes, but getting oo with their lives reasonably successfully and turning into the cheerful successful adults.

The changes from last year are pretty marginal, but since 1986 there have been lots of changes, including some dramatic changes. The exposure to

ever been." Dr Regis said. Although fewer teenagers now do part-time work than five years ago, perhaps reflecting a

part-time work to pay for their indulgences with some earning more than £30 a week.

The discrepancy found between the sexes in adult pay is reflected in gender variations greater pressure from exams, a even at this stage - older boys

earn a typical £13.46 a week During the last seven days, have you spent any of your own money on the following items? % 8 6 8 6 38.0 42.2 43.4 35.6 16.1-10.0 14.2 7.7 Fast food (not) 34.1 25.2 42.2 82.0 21.7 - 6.9 20 1 6.8 12.0 3.0 13.7 3.9

Complter gauses	118.3				
Leisure/sports centre	24.0				
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	Year B 1311	olds 6 6.7	18.3 24.8	olds 6.9 58.8	STATE OF THE PARTY

compared to £11.73 for girls. Twelve and 13-year-old boys make an average £8.86 a week

and the girls £7.45. Two-thirds of the teenage girls and more than a third of boys sometimes fear being physically attacked and 30 per cent of 14 and 15-year-old boys and 17 per cent of the girls sometimes carry protection when they go out.

The girls most commonly carry a personal alarm but some carry knives.

While girls are obsessed with how they look, they dislike the sport or physical activity which might make a difference to the physique.

Boys are more sporty, but almost half of those in their mid-teens had spent time the previous evening playing games on the computer rather than the playing field. Watching television is the most popular evening activity.

Girls worry about their weight more than boys, with half wanting to shed a few pounds compared with a quarter of

They are also keener oo healthy eating. But many simply miss meals instead of eating

schoolday and a third have nothing to eat. Twelve per cent asked had eaten no lunch on their previous day at school. Another change is the ca-

changed which has an effect on the whole area of growing-up

"It opens up doors to op-portunities and risks. Smoking or drinking and drugs are very expensive. Having more moncy provides an opportunity to engage in risky behaviour."

But not all the changes are negative. "My guess is that the hygieoe levels among boys are

Boys are more sporty, but almost half spent time on the computer playing field

taking more baths and washing behind the ears," he said. The Exeter team has been collating the health-related sta-

Carefully. The data comes from health
Almost a fifth of 14 and 15authorities and local education year-old schoolgir's have oothing at all for breakfast on a who buy the unit's ready-made questionnaires to investigate what is happening in their areas and assess what services need to be provided. More than 350,000 pupils have been pacity to spend money. "Own-questioned during that time.

ership and cootrol of money has

rather than the

the among the highest. They are

tistics since 1986.

tax returns to fill in but you have never sent me one.

As I am now 32 years old is there something wrong with me? Ignored, COVENTRY.

TAXMAN SAYS Age has nothing to do with whether you get a tax return or not. We will send you a tax return if you are self-employed, a company director, or someone with more complex tax affairs. Most people don't get a tax return so you're certainly not alone. However, if you receive income that has not been taxed and you haven't been sert a tax return you must tell us. Call your Tax Office and talk to someone there if you are still worried. The telephone number is in the phone book under 'Inland Revenue'.

# DO I NEED AN

Dear Taxman To date, keep proper records, the new bove aways enjoyed handling system should make things my tax affairs personally. I find it a very stimulating and interesting pastime. Will I now be forced to use on accountant and give up one of my few interests in life? Bored, DYFED.

TAXMAN SAYS Not if you Dear Taxman As don't wish to. If you already soon as I buy clothes they deal with tax affairs yourself immediately go out of style. I fact, if you are organised and

# **NO MORE**

Dear Taxman Is Self Assessment just a coming way of wheedling more

Paranoid, BARNES.

TAXMAN SAYS No. Self Assessment is not a new tax Have you paid all your tax bills? and does not affect the If the answer is 'yes' to all of amount of tax you pay. It is these then don't worry, you're just a clearer and more up-to-date. And if it's any help, straightforward system for white stilettos are due for a working out and paying tax, comeback.

easier. You may even find time for a more exciting hobby like

there is no reason to change. In spend a fortune on an exotic holiday only to discover it was the place to go last year. | get rid of all my easy listening records, next day they are back in fashion. I am beginning to suspect that I may be just one of those people who is always behind the times. How can I be sure that I am up-to-date with my tax? Concerned, LEICESTER.

> TAXMAN SAYS Simple. Have you filled in and sent off all the tax returns that you have received? Have you replied to any letters we have sent you?

the new Self Assessment tax be four extra pages to fill in.) You form? I have a bad back and the will get a full list of the suppledoctor says I can't do any heavy mentary pages available and if you lifting. Worried, BRADFORD. TAXMAN SAYS From next plenty of time to send off for April most people will get a basic, them. Guidance notes to help you slim-line, eight-page tax return, fill in your tax return and work out along with any extra pages we think your own tax bill - if you want to -

Dear Taxman How big is you are self-employed, there will think any apply to you, you'll have you may need. (If, for example, will be sent out with the forms.

Jall	. Please send me more information	about Self Assessment.
	Please tick a box if you are:	Self-employed
•	Employed A Pensioner	Seeking work ·

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## Probation officers warn of chaotic consequences of fiasco that saw 500 inmates released from Danger alert over prisoners freed early

REBECCA FOWLER

A sex offender wandered into a shopping centre and came face to face with his victim on the same day he had been freed from jail with only 90 minutes notice, a study into the aftermath of last month's early release of 500 prisoners has

discovered. The National Association of Probation Officers (Napo) claims some of the most hardaned criminals were set free ittiout any supervision. It also ye 29 per cent have already re-traded, compared to the usute of 8 per cent.

trates' courts across the country for burglary, theft and deception, since the Prison Service decided it had miscalculated how long they should spend behind bars. The releases were halted after Michael Howard, the Home Secretary, took legal

The 32-year-old sex offender, also a drug user, was not due for release until Christmas. But the first the family of his victim due for release only on the condition he resided at an assigned hostel under strict supervision. Instead he was released set two and a half months early with nowhere to go.

Harry Fletcher, assistant general secretary of Napo, said: This is a picture of complete chaos, and it will be the proba-tion service and the public picking up the pieces. Clearly some of these prisoners are danger-

Somebody at least man-

late, the damage has been done Napo studied the fate of 80 prisoners in 12 districts across Britain, who were released with only a few hours notice and a discharge cheque for £45.75. Many were set free by the time probation offices had closed for the bank boliday weekend, and

found for him, but it was too

the association estimates up to 50 per cent of unsupervised former inmates will reoffend. One prisoner in his 40s ran up a hefty hotel bill in North Wales before being arrested for deception and being sent back to prison; another threw

rehabilitation programme, but the place was not available when he was released early. Instead he was arrested for burglary in an attempt to raise money to buy drugs, and has forfeited his place on the scheme. The probatioo service was given three hours ootice of the

prisoner was due to enter a drug

release of another 20-year-old heroin addict. They tracked him down three days later when he appeared at in court on several charges of shoplifting. Other prisoners with records

usually high rate, and insisted that the probation service should have been aware of all those who had been released. He said: "There may have been some who have slipped through the net, but all these prisoners were due to be released anyway. Unfortunately reoffending rates are high, and I simply do not ac-

after it emerged he had been in

prisoo for kidnapping women,

violent crimes against women and possessing fire-arms.

for the Prison Service, denied

yesterday that the former pris-

oners were reoffending at an un-

Bob Thomas, a spokesman

of serious offences have completely disappeared. A 27-yearold man released in Lancashire cept that these figures are much failed to turn up for a second more than usual." falled to turn to for a second

Another 24-year-old former meeting with probation officers

ous and they are under no sort knew of his early release was when they saw him in a shopof supervision. ping mall on the day he was set free. He is currently living in a aged to get hold of the victim's family to tell them, but there cheap hotel where he faces was total panic. They started bricks through a police station eviction for not paying his hills. changing all the locks on their out of frustration at failing to Another sex offender, who find a place to cleen er prisoners from the

Conference season: As the party faithful gather for the last time before the election, Anthony Bevins looks at their hopes and fears

# Rallying the troops for the ultimate test



## Ashdown aims for positive impression

Slogan: Take Courage for the

The big aim: To present a pos-itive purpose to voting Liberal Democrat, by persuading people that they are distinct from the other two parties and have something different to offer.

There will be no encouragement of tactical voting; the message is that if the voters want is the surefire way of achieving that, because they would exert pressure on a Labour government to deliver its promises for constitutional change. However, amhivalence creeps in when senior Liberal Democrats are asked about Conservative candidates in marginal seats. Last week, one high-level source said: "If people can work out another way of getting rid of the Tones ... then they might well vote Labour?

Who are these people? The happy mythological days of open-toed sandals, with socks, and cagoules, worn indoors, are long gone, purged by the in-flux of Social Democrats in suits. Local government success, and the power it has brought, has created a much more professional activist base

Stage management: The Liberal Democrats are traditionally useless at this. Issues like drugs, gay lib and prostitution seem to

Liberal Democrats - Brighton: have the same magnetic appeal 22-26 September. have the same magnetic appeal as they have for the tabloid newspapers that traditionally use such debates to depict the activists as a bunch of fruitcakes.

> Disaster zones: The main agen-da is as controlled as any party manager could dream of, with dehates on issues like "Indicators of sustainable develop-ment"; "Conserving tomorrow"; 'Investing in excellence"; and "Cleaning up the mess in politics." But there is space for two emergency motions where em-The media will also be hunting for diversionary stories about what role Mr Ashdown would play in a hung Parliament.

Policy initiatives: The Liberal

Democrats are as good at recycling policy as they are at newsprint, glass and other waste. The debate on "Conserving tomorrow" includes reaffirmation of the pledge to phase in a carbon tax and a £1bn a year investment in energy conservation; on education, the party promises "early years" schooling for all three and fouryear-olds whose parents want it, along with "work to reduce" all primary school classes to fewer than 30 pupils. The housing policy paper offers a mortgage benefit for those on low incomes, funded by a phase-out of

Low life: All conferences have their junkets and parties, but the Liberal Democrat conference directory contains a cornucopia

mortgage interest tax relief.



of free food and drink that should attract political downand-outs from miles around. "Free buffet and wine" is being offered for a Monday lunchtime fringe meeting held by the European Movement; "free light breakfast" is on offer from the Direct Marketing Association and Royal Mail on Tuesday; and for those who believe there is no such thing as a free lunch, Boots the chemist and the BMA are offering competing fare on Tuesday, followed by free refreshments at evening onsorea i British Field Sports Society and the National Association of Head Teachers. Yet another lunch is on offer from the Worldwide Fund for Nature on Wednesday, but free-loaders might be advised to give the "free drinks and bot food" a miss on Wednesday, when the Police Federation sponsors a

done to combat crime?" Highlights: Late-night conversation with Paddy Ashdown, the only party leader with the stamina or inclination to go to the conference hotel bar for a drink with party members, and - of course - his speech on Tuesday.

meeting on "What needs to be

In an attempt to deflect at-tacks on Mr Ashdown as a "one-man band", the party is also trying to promote Baroness (Shirley) Williams and Sir David Steel, but in an age of presidential political combat -

## Blair sets sights on wider audience

Labour - Blackpool; 30 Sep-

Slogan: New Labour, New Life

The big aim: To win endorsement for the draft manifesto, New Labour, New Life for Britain, Once the conference has agreed to the document, it will go out for one-member, onevote hlessing by the party membership. But the conference will be addressing a wider audience - the electorate at large - and much time will therefore be spent selling the five core pledges on education, crime, health, unemployment and the

Who are these people? While the serried ranks of union

quick-set concrete, there has been significant change in the power and personality of constituency delegates.

Last year, the constituencies accounted for only 30 per cent of conference voting strength. This year, an increase in membership has triggered an increase in constituency power, to give grass-roots delegates a 50-50 share of votes with the unions. But new rules have brought a noticeable influx of people who would not wish to spend one week every October attacking the treachery and betrayal of socialism by Labour

conference was marked by the total absence of defeat for the leadership, but party sources are



simism has been increased by the confrontation between the party and union leaderships who have the undoubted power to make mischief.

Disaster zones: A leadership

source recently told-The Independent that the party was in the usiness of turning every crisis ioto an opportunity. Thus the repeated rifts with the unions during Blackpool's Trades Union

to show that the leadership was standing firm against spending commitments that might smack of tax increases.

But there is a risk - that splits could dominate the media coverage to the point at which Labour disunity turns voters off. Danger points include the possibility of a repudiation of the leadership decision to dump an uprating of pensions in line with earnings; a demand for a figure on the minimum wage; and a revolt against Gordon Brown's child benefit plans.

Policy initiatives: Labour is saturated with policy, and the greatest problem is refining it to a point where it becomes digestible - which is the purpose

unions' pockets. Equally, con-ference defeats could be turned regional party functions, like regional party functions, like. Welsh night, are very popular and therefore hard to gatecrash. Certainly, the beer flows in greater quantities at Labour conferences, though Liberal Democrats tend to stay up later.

> Highlights: The hig set-piece Blair speech will take place first thing on Tuesday afternoon, and the thing to watch out for is the way in which the party tries to damp down any sign of over-confidence. Party strategists and Mr Blair himself, do not believe election victory is by any means in the bag. But how does a man with a 20-point lead in the polls paint himself as underdog? The way in which Mr Blair tempers his natural enthusiasm with modesty should be

## Tories buoyed by turning economic tide

Conservatives - Bournemouth; centre of political life, Conser-8-11 October

Slogan: Life is better with the

Conservatives.

The big aim: To come out of the conference season with a Labour lead that is slipping. The party command will drive home the message that after more than 17 years of Tory government, things are beginning to get bet-ter, with rising living standards, and that a change to Labour could ruin it. Having established that negative foundation, ministers will start to bolt on the added-value - the vision for a fifth term of government.

where leaders are presented as the sight hite for party – Mr Ashdown will grab the attention. Who are these people? If Labour delegates, like the par-ty leadership, have moved to the

vative representatives have become more right wing. The fringe meetings of men like Michael Portillo, John Redwood and Norman Tebhit show a fervour that is absent from the other two parties; it is a fascinating sight, often more interesting than the conference itself. While there have always been right-wing extremes at conference - the Right became mainstream, even legitimate, under Margaret Thatcher and that has survived her departure.

are past-masters at this, but that has never meant perfection. Home secretaries have been baited beyond endurance by the sado-masochist wing, party chairmen have been lambasted



for failing to sell an impossible message, and Europe has emerged as the great chasm into which the party is poised to plunge. Activists are to get the opportunity to question ministers but there are unlikely to be any upsets. Questions are vetted and little is left to chance.

Disaster zones: Conservative frustrations inside the confer-ence itself all-too-often find redress through the virulence of debate on the fringe. Europe

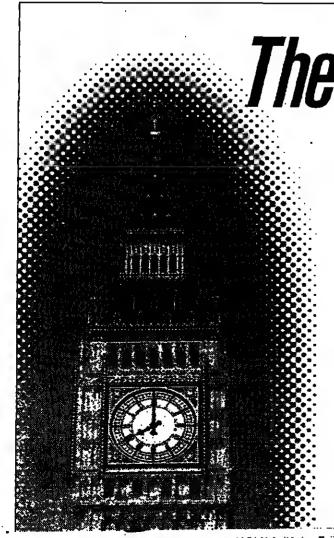
ricular activities, and the party's very real divisions on this issue appear to be more pervasive and more damaging than anything any other party can offer.

on alone, it is imperative that the party creates diversionary publicity. While party bosses will want to keep their surprises up their siceves, they have already floated the notion of the Prime Minister's support for the "hard-working class", which seems to mean that those on benefit should work for it, and oungsters who offend should be subjected to curfews. Apparently, these ideas are to be packaged as the sort of "nonnonsense values" that key working-class voters will share.

Policy initiatives: For this rea-

again dominates the extra-cur- Low life: The balls: whether organised by the Young Conservatives or the Federation of Conservative Students, who express their libertarian feelings with the kind of exhibitionism that would attract a life sentence if Michael Howard had his way and if the perpetrators were not just high-spirited Tories letting off a hit of steam.

> Highlights: The appearance of Baroness Thatcher to bestow her hlessing on John Major, and the leader's speech. Not so much the speech itself, but the US-style huild-up - with distributed flags and hunting. hyped-up videos and all the accoutrements of a mass hysteria -that then tends to get flattened by the weight of words and the leaden manner of delivery.



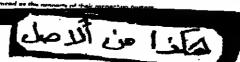
# The news at 10.00, 10.15, 10.45, 11.12, Midnight or 3a.m.

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## Is it too much to ask that children with haemophilia get the best and safest treatment? ?



"After HIV and Hepatitis C, I thought we'd oever have to do it again, but this is a never-eoding battle. Is it too much to ask that kids with haemophilia get the best and safest treatment?" asks Lynda Quarmby.

Mrs Quarmby, from Mossley, near Manchester will today lead a protest march of parents and children to Pendichury Hospital, part of the Royal Manchester Childreo's Hospital. Their homemade placards and banners will proclaim their anger and frustration at the reluctance of the National Health Service to pay for what experts agree is the treatment of choice for all haemophiliaes, but which is particularly ap-propriate for children.

It is the latest development io an increasingly bitter battle that has united doctors and parents nationally. They are demanding that every health authnrity or trust pays for the genetically-engineered version of Factor VIII (recombinant Factor VIII), the clotting ageot haemophiliacs depend on for

their survival. The recombinant version poses less risk of viral contamination than the human plasmaderived Factor VIII, which is about half the cost and accounts for more than 90 per cent of the clotting agents used by the NHS. Human blond products are normally exempt from VAT hut a decision by Customs and Excise to impose 17.5 per ceot VAT on the recombinant form has, according to Dr Paul Giangrande. director of the Oxford Haemophilia Centre, put it even further out of reach

Following inquiries by The Independent last week, Dr Giangrande has been told that the Wilshire Health Authority is now prepared to pay for recombinant Factor VIII for two young haemophiliac brothers. The Royal Free Hospital in London has announced that it will give all haemophiliac boys in its care the recombinant Avon Health Authority, says a

Will costs bar the use of a safer clotting agent for child haemophiliacs? Liz

form and says it expects health child with serious haemophilia

Pressure is growing for other health authorities and hospitals to follow suit and comply with the recommendation of the UK Haemophilia Centre Directors' Association, to be published oext month. This document advises that the

I inject each of my sons with Factor III ... it's hard to do that when you don't have confidence in what you put

recombinant Factor VIII should be used for all haemophiliacs.
Out of 11 hospitals across the
country contacted by The Independent, six provided only
plasma-derived Factor VIII for the treatment of both child

into their veins'

and adult haemophiliacs. The other five hospitals gave recombinant Pactor VIII for a limited number of children those who have previously not received any clotting treatment. Children and adults who had already received plasma-derived factor VIII, were carrying on

Haemophiliacs cost the NHS about £40m to treat annually, and some doctors say the bill would double if recombinant Factor VIII was provided for all. Angela Raffle, a consultant in public health medicine for the

**Hunt** and **Susan Emmett** report

authorities to "cooperate" in funding the treatment.

Pressure is growing for oth
Pressure is growing for oth-£2m. The cost for giving a child the recombinant product would amount to £5m.

"I know that theoretically recombinant is safer," said Dr Raffle said yesterday, "but we are talking about a theoretical improvement at the cost of doubling the Factor VIII bud-

get, which we could not afford." But leading haematologists dispute that the improvement is theoretical and say that the safety and purity of recombinant Factor VIII should outweigh any concern about the costs. The HIV tragedy - where 1,200 haemophiliaes were infected with the virus that is linked with Aids, through contaminated Factor VIII used in the early 1980s - casts a long shadow over sufferers, their families and the doctors who care for them.

More than half of those with HIV have died, and scores of others are living with Aids. It is oow apparent that 60 per cent of the UK's 5,000 haemophiliacs have contracted Hepatitis C. a virus that has been only receotly discovered.

Although the risk of trans-mission of HIV and Hepatitis Chas been minimal since 1986, when oew viral deactivation procedures were introduced for blood products, Hepatitis A virus and parvo-virus are resistant to all the present means

Three young haemophiliac boys treated at the Royal Man-chester Children's Hospital, contracted Hepatitis A earlier this year. Although cootaminated products have not been implicated in this case, the incident has heightened the fear of parents whose children are also receiving care at the

hospital. Janet Hartley from Horwhich, near Bolton, who has three sons aged 13, 10, and 7, all with severe haemophilia says her greatest fear is that some new virus, which has yet to be discovered, may be preseot in the plasma-derived Factor VIII.

"I have to inject each of my soos with Factor VIII three times a week to prevent their hleeding," she said, "It is hard to do that when you doo't have full confidence in what you are putting into their veins and when you know there is a pur-er product that could be used." She will join the protest today.

The parents know that today's protest will have the support of Dr Richard Stevens, the director of the Haemophilia Centre at the Royal Manchester Childreo's Hospital. Dr Stevens says that the recombinant form of Factor VIII has the potential for being safer, and that he wishes he could prescribe for all his patients. "Treating children with the plasma-derived product causes a lot of anxiety... they have my support. The trust supports the clinicians and their aspirations. The problem is getting money out of health authorities."

The Haemophilia Society, which has campaigned vigor-ously for recombinant Factor VIII, has appealed in the Department of Health for central funding, but the request has been rejected. A spokesman for the Department said the decisioo lay with local purchasers and providers, and that any decision must take into consideration how it will affect other patients and the rationing of other treatments. He pointed out that recombinant Factor VIII was not without some risk as it included a human-derived

protein, albumin, as a stabiliser. More than half of Factor VIII used in Germany is recombinant, and a similar level of use is reported in France although that form is more expensive than the British product.

## A Fresher way of Banking

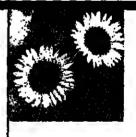
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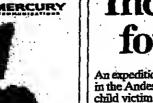
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## Inca child victim found in Andes

in the Andes has unearthed the child victim of an Inca human sacrifice and a record number of artifacts. The expedition, led by the archeologist Johan Reinhard, was nhtaining footage for a BBC Horizon

programme.

A skull and skeleton thought to belong to a child sacrificed 500 years ago to appease mountain gods was found 18,000ft up Mount Sara Sara, in Peru. The team also found a record seveo Inca artifacts strewn around the sacrificial platform.

They included perfectly preserved six-inch-high gold and silver male and female statuettes and a liama carved from an oyster shell. The Incas are said to have sacrificed more than 2,000 people on Mooot Sara Sara.

A BBC producer, Tim Haines, said: "We're incredibly lucky with just two filming days left to have found this skeletou and such amazing artifacts. We've all been suffering from a bacterial infection, so this has given us a much-needed boost to our morale." Last year Dr Reinhard discovered an Inca child munniny frozen on the nearby summit of Nevado Ampato and which became known as the Ice Maiden.

A search is continuing to see if a similar mummy might he preserved under the permafrost of Sara Sara. Dr Reinhard said: "This was a very sacred mountain to the Inca. and, given what we've uncovered so far, I have little doubt that there was more than one sacrifice on this summit."

## Poll finds mystery meltdown of state aid

DAVID WALKER

A survey of public attitudes towards the welfare state showed high levels of support for iocreasing pensions and other benefits, though Render's Digest, which commissioned the study. t sought to present the findings as evidence of a welfare "crisis".

The mouthly magazine, part of an American conglomerate publishing in 48 countries, claims a UK readership of 6.1 Gordon Brown, the Shadow million. It said the data proved the welfare state was destined for "meltdown".

Using language remarkably similar to that of the Tory front bench, Russell Twisk, the editor, said: "There is widespread public awareness of crisis.\*

However MORI, which interviewed a national sample of some 2,000 people in July, told a different story. The opinoo poll organisation said the survey showed only that the public was divided over the amount speot on welfare benefits. A majority of people thought the levels of pensions, child and unemployed henefit were either too low or about right.

There was support for reform in certain areas, for example "workfare", or linking payment of the dole to work requirements. Equally, there was support for unconditional increases in universal benefits.

When they were told spending on welfare and social security running at £90bn a year, or about a third of all public spending, nearly two-thirds of the public responded that that seemed either too little or was about right. Only a third said it was too

Not surprisingly, more Tory than Labour supporters thought too much was spent on welfare. MORI confirmed what the anlike the expending oo state subsistence to be minimized, in practice it is accepted legitimate claimants should oot have their benefit lowered."

Most people thought old age pensions were inadequate. Uo-derstandably, given how far they are from retiring, a higher proportion of teenagers and young adults thought the state pension

Chancellor, who wants to cut child benefit for the better-off, may take comfort from the finding that, by a slight majority, Labour supporters favour lim-iting child benefit to those with low incomes.

Labour is also likely to pay special attention to MORI's consistent finding that Scots consistently favour higher levels of welfare payment: would they continue to be as generous if the entirety of such payments had to be met from Scottish

Proposals for changing or even expanding benefits won support. More than 85 per cent of people thought there should he tax coocessions to women who stayed at home to look after young children. A clear majority thought the long-term unemployed should have to do community or other work to qualify for the dole; the region with most resistance to the idea was the North-east.

More than three people in five rejected the notion that state pensions should be limited to those without an adequate private pension though MORI noted that attitudes towards pensions among the young were hard to measure since many had

not thought about them. There was strong support for tough action against social-senual British Social Attitudes and curity fraud though that turned other surveys have found: out to be based on exaggerations "While in theory many would of how much is lost.



## Park chiefs steer power boat row to court

The Lake District National Park is expected to decide today to mount a legal challenge to John Gummer, the Secretary of State for the Environment, in the latest round of its fight to rid Lake Windermere of power boats.

Mr Gunmer angered park officers, board members and conservationists last month when he refused to confirm a bylaw for a 10mph speed limit on England's largest lake. The decision contradicted a recomSail is best, says the authorities at lake speed boats are no more envi-Windermere. Steve Goodwin reports

mendation by the independent inspector, Alun Alesbury, who conducted a 13-week public inuiry and concluded there was "a fundamental problem of incompatibility" with fast power boats, which affected public safety. John Toothill, the park's se-

nior officer, said he was "ap-palled" and accused Mr

Gummer of "giving in" to a small minority who deterred

other people from using the lake by the "hostile conditions" they But the strong feeling is rec-iprocated. David Maclean, the Minister of State at the Home Office and MP for Penrith, has attacked the park author-ity as "pig-headed", and said

onmentally intrusive than the "disgusting coloured sailcioths" seen on thelake. About 7,000 power boats each year register to use the lake - the only one in the park where they are permitted. The restriction would stymie water skiers, who need a minimum 18mph to

stay affoat, and jet skis. Windermere is 10.5 miles long but quite narrow. On a busy day there can be up to 1,500 craft out, from 70mph

children paddling on the shore. Nasty accidents can happen, with, for instance, the collision of canocists with water skiers.

Today the park board is expected to accept lawyers' advice and authorise an application to the High Court for judicial re-view of Mr. Gummer's decision. The Secretary of State's refusal to confirm the bylaw, say comsel advising the board. was "manifestly defective in law". The park spent £500,000 on its case for the public inquiry. Its declining grant from the Government this year is £3.7m. Taking Mr Gummer to court could cost another £20,000.

vew cra on chi on the

For Ian Brodie, secretary of the Friends of the Lake District, the disclosure that Mr Gommer over-ruled the inspectoradds insult to injury. "This is not democracy, but politics." Mr. Brodie said. "Mr Maclean is saying that commercial inter-

## Pressure on Blair over £100,000 benefit cut-off

JOHN RENTOUL Political Correspondent

Tony Blair is coming under growing pressure to spell out his tax and speoding plans as it emerged that he refused to say those on £100,000 a year would

changes, and now faces a £1bn bill to buy-off a conference revolt on pensions.

It emerged yesterday that the Labour leader and Gordon Brown, the Shadow Chancellor, had discussed a figure of £100,000 a year as the income lose from Labour's child benefit above which people with

children aged between 16 and 18 would lose child benefit. Bot they rejected the idea of naming a figure because it would invite questions about their plans for income tax.

Mr Brown said last week that Labour would make the "relevant financial decisions" on taxes, benefits and public spending "after the Conservative Budget [in November] and in our manifesto".

But, as Labour delegates prepare to gather in Blackpool this weekend, Mr Brown now faces a bill for up to £1ho a year

as the price of heading off a rebellion on pensions.

Harrict Harmao, Labour's social security spokeswoman, is today writing to unioo leaders to plead with them not to back

the proposals by Baroness Castle, a party idol, to restore

Waiting game: Gordon Brown says he will set figures later

Labour's historic policy, abandoned since the last election, of linking the value of the state pensioo to average earnings. Ms Harman warns the unions, which still hold 50 per

Lady Castle's plan would be paid for out of the £3.5bn state subsidy to company pension funds, which could cost union members £550 a year. Ms Harman told GMTV: "I

cent of conference votes, that

am confident that the Labour. Labour would not seek to re-Party conference will agree that verse any tax cuts made by the first priority of a Labour government and a Labour social security secretary of state must be the poorest pensioners."

She stressed Labour's aim that all pensiooers should get the social security beoefits to which they are already entitled. But that could require up to £1.26bn a year more in income support, housing henefit and help with council tax, according to Department of Social Security figures.

"It's not a spending commit-

eotitled to," a spokeswoman for Ms Harman said.

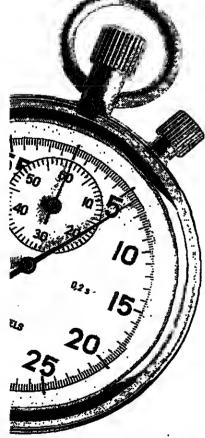
But the money would have to found from somewhere, which could disrupt Labour's tax plans, which are now close to being finalised. It is clear that Kenneth Clarke, the Chancellor, in November, that Nation al Insurance will not be imposed on earnings above £33,660 a year, and that the current starting point of the 40p-in-thepound top rate of income tax,

about £30,000 a year, will stay. What is oot yet finally decided is whether a new 50p tax rate will be imposed on incomes over about £100,000 a year and whether a new starting rate of 15p on the first slice of taxed earnings will be proposed, or

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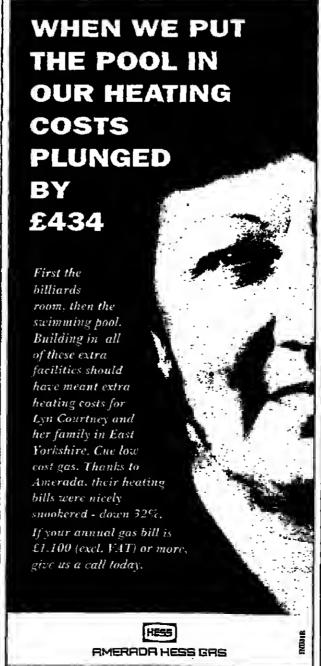
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as well as Sergeant Mike Hoskins from Scotland Yard,

who last munth wrote to all the

companies providing public

access to the Internet warning

them about obscene material,

and urging them to take action

Internet service providers

can do little about obscenity,

however, because material can

be sent from countries where such material is legal. Their only

recourse is to cut off the news-

groups, since it is illegal to re-

tain obscene material on a

computer. So far, though, nne of the largest providers, Demon, has refused to take that action.

## New crackdown on child porn on the Internet

**CHARLES ARTHUR** 

The Government will today try to assuage growing fears about child pornography oo the In-ternet, by lending its weight to an industry initiative which it says will both protect children and help catch lawhreakers.

Though it forms at most a minuscule proportion of the data



Tom Sackville: Promising Government commitment

available on the network, child pornography has become a cause célèbre for those interested in imposing controls on the rapidly-growing system, which is largely unaffected by

national boundaries. "Government and the Internet industry have been working hard to come up with proposals that can offer real protection to Net users, while preserving free speech and recognising its value for work, education and

lit-off

leisure," said ian Taylor, the science and technology minister.

The new initiative, called as Well as Sergeant Mike

Safety Net, has been devised by Peter Dawe, whn became a millionaire through his ownership of Pipex, a company offering connection to the Internet for the public. Mr Dawe sold the company earlier this year, and has since been working on the new ideas.

Today's meeting follows another a fortnight ago between Government, the police and companies offering public ac-cess to the Internet. Police had warned that about 150 of the network's 15,000-odd discussion groups, nr newsgroups, could hold obscene material.

In the UK, it is an offeoce to store obscene images on a computer. But companies argue that they should be immune from prosecutioo because the equivalent of several encyclopaedias is sent to newsgroups every day, making it impossible to monitor material.

The new proposals are ex-pected to include the use of "self-rating" systems on pages on the World Wide Web, the fastest-growing part of the network. A rating system would attach a software "tag", like a film ratiog, to pages. If children tried to view an adult page, software oo their computer would stop the connection. Similarly, unrated pages would be assumed to be unsuitable.

The Government's commitment to the scheme will be reflected by the presence today of



ning jewel": A Koi admired by judges at a show in Sheffield at the weekend

Photograph: Peter Byrne

## Koi has them hooked

"THERE's a Japanese phrase Koi kichi. That's me - Koi crazy," said Gregory Peck, as he leaned over a vat of water to admire his

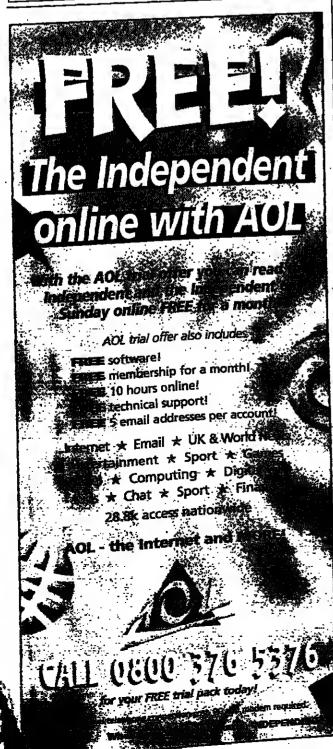
expensive Japanese carp.
They're like swimming jewels."
Mr Peck, 47, was a judge at the North of England Koi Chap-ter's first show, beld in Sheffield at the weekend. The group. ated to Zen N Nippon Arinkar. Japan's association for Koi-Japan's association for kol-lovers. Mr Peck, a nightclub en-treprenenr from Manchester and president of the Chapter, "fell in love" with Koi 20 years ago and keeps 30 in a pond in his garden. Phil Smith, 36, a bus driver

from Doncaster, said of Kol-keeping: "It's a way of life. You get hooked. My job is really stressful. When I come home I'm ready to rip some one's head off. But once I've sat by my pond for 10 minutes 1



TO ESSENTA EUROSE







Rwan racked genoci of stea

#### ADRIAN BRIDGE Budapest

The growing problem of infan-ticide in Hungary bas come under the spotlight because of a gruesome case involving a 26-year-old woman who gave birth to her third child earlier this month and burned it to death.

Police say the woman, who has not been identified, was living in poverty with an alcoholic busband and felt unable to cope with the newborn, whom sbe covered with a hlanket and set fire to in ber courtyard. The woman's mother raised the alarm when she discovered some of the baby's bones. Police were unable to say whether it had been a girl or boy.

Late last month, a Budapest woman was arrested after admitting to the killing of two of ber babies. In testimnny to police, the woman, a former social worker, said that she had killed both habies, her fnurth and fifth, shortly after giving hirth and that she had dumped the most recent in a rubbish bin.

According to official figures. at least 54 Hungarian babies or infants have been killed over the past two years by parents who feel they cannot afford them, an average of one every two weeks. The problem is hardly new, but it has been exacerbated since the fall of communism by sweeping economic reforms which have left many people living below the poverty line.

The majority of cases involve young uneducated girls frequently without busbands who see killing their habies as the only way out," said Gyorgy Kolmann, deputy director of Budapest's Institute for Child and Youth Protection.

Mr Kolmann says infanticide is a problem throughout the former East bloc, but it is accentuated in Hungary, a country which boasts one of the highest suicide rates in the world.

## Bonn calls for court to enforce monetary union

#### SARAH HELM

The European Court of Justice

should be given powers to enforce the rules of economic and monetary union, Theo waigel, the German finance minister, said at the weekend. Mr Waigel's comments – in-tended to assuage German fears about the loss of the

Deutschmark - will bolster Conservative Euro-sceptic claims that Britain, if it decides to join a single currency, would be forced to cede powers over tax and public spending. The remarks could strength-

en the hand of the Tory right, which wants the Prime Minister, John Major, to rule out British membership of EMU in the run up to the election. But the Chancellor, Kenneth Clarke, speaking after a meet-ing of EU finance ministers in Ireland, made his clearest declarations to date: EMU was going to happen, and Britain ought to be part of it.
"I get the feeling ever more

clearly that it is going to go ahead. We are contemplating the creation of a Euro zone inside the EU in the next three or four years," the Chancelinr said. Asked whether Britain treaty, the country would have would suffer discrimination if it did not join the projected 1999 launch, Mr Clarke said: "I think the single currency could offer prospects of stability, low interest rates, and a zone of economic conditions which attract its finances within a year, it inward investment and stimulate growth of trade."

However, Mr Clarke insisted that if Britain entered the single currency, there would be "no question" of handing powers of tax and public spending to Brussels. Britain would reject state failed to comply with the

any attempt to override "the normal parliamentary procedures of independent nation states, which is what we are go-

ing to remain", be added.

Mr Waigel's comments suggested that the true picture would be, at least, hlurred.



Theo Waigel: Stability pact should be legally binding

Both men were speaking after ministers had agreed the principle of a "stability pact", under which countries inside EMU would be fined if they let their hudget deficits rise above the agreed levels. Should a country's deficit rise above the 3 per cent to submit a revised hudget for the approval of an EU "stability council", which might be made up of finance ministers of single-currency countries. Should that country not correct would face a sliding scale of

Mr Waigel said for the first time that the rules of the "stability pact" must be "legally binding". He said Germany would insist that if a member

rules, other countries could take it to the European Court of Justice in Luxembourg.

MrClarke agreed to the principle of the stability pact, arguing that it would be to the advantage of countries inside and outside the Euro zone to

ensure economic and budgetary

discipline continues.

Nine months ago, political will on the continent appeared to be weakening, amid growing public antipathy towards the sin-gle currency, brought about largely by painful budget cutting and fears for growing unem-ployment. There were fears that France - or even Germany - might not meet the 3 per cent budget deficit rule in time for a 1999 launch. Helmut Kohl, the German Chancellor, was demanding greater political union as the price for sacrificing the mark.

In Duhlin, however, the mood appeared transformed. Predictions of growth hrought renewed hope that meeting the Maastricht convergence criteria might not be such a struggle after all. Furthermore, it became clear that Europe's leaders will

be prepared to interpret those criteria "flexibly". The European Commission signalled that it would agree to a French manoeuvre, aimed at cutting the deficit in 1997, with a one-off payment of funds from France Telecom. It had been widely predicted that Ger-many would view the diversion of funds as a "fudging" of the economic criteria. However, Mr Waigel said in Dublin he had no objection.

Preparations have already been made for construction of a new exchange rate mechanism for countries which do not qualify for entry in the first phase.

Greek elections: Fifth remain undecided after listless campaign



Young hopeful: An Athenian places a New Democracy party flag on a poster of leader Miltiades Evert Photograph; Reuten

## Exit polls spell relief for socialists

#### ANDREW GUMBEL

The ruling socialist party, Pasok, took a strong early lead in yesterday's Greek general election. according to three separate television exit polls. Although commentators urged caution, the findings came as an enormous relief to the Prime Minister, Costas Simitis, who had gambled on an early election to emerge from the shadow of the party's long-time leader, An-dreas Papandreou, who died in

When be called the snap election last month, more than a year ahead of schedule, Mr Simitis was confident of an easy victory, reckoning that a new popular mandate would give

Scientists were still trying to come to grips last night with

claims by a group of Australian scientists to have discovered the

world's oldest rock art, together with evidence that humans

have inhabited Australia for up to 100,000 years longer than

While a number of other

scientists expressed scepticism,

the Australian team of three

men and one woman stuck by their claim that their discover-

ies will force a rewriting of pre-

history. Their research is to be published in December in

Antiquity, the British archaeological journal, and was dis-

closed at the weekend in the

The scientists made their

discoveries at Jimmium, one of

the remotest places in the Aus-

tralian outback. There, among

the parched scrub, they found

large rock faces embedded with more than 6,000 engraved cir-

cles. The team dated the en-

gravings at between 58,000 and 75,000 years old. But their most

controversial claim centres no artefacts and ochre that they

found embedded in sediment beneath the ground next to the

rock engravings. Using a

technique known as thermoluminescence, the scientists con-cluded that the ochre could be

116,000 years old and the artefacts up to 176,000 years ald.

If the latest claims are correct it means that humans first oc

cupied Australia some 76,000 years before the time when Homo saplens is thought to

have emerged from Africa.

Sydney Morning Herald.

vas earlier believed.

him the authority he needed to push through unpopular aus-even he has been unable to push through unpopular austerity measures and tighten his grip over Pasok.

But Mr Simitis's quiet professorial manner - a contrast to Mr Papandreou's populist tub-thumping - has failed to enthuse the voters, and Pasok has lost ground both to its main conservative rival, New Democracy, and to a number of left groups.

The last opinion polls pub-lished before yesterday's election showed Pasok struggling to stay above 30 per cent, leaving the party still marginally ahead of New Democracy but not by enough to be sure of victory, New Democracy's previously rather unimpressive leader, Miltiades Evert, has run an effitheir main policy planks -

with Turkey. In contrast to the colourful, bitterly fought general elections of the past, this contest has been notable mainly for its listlessness. Polls showed 20 per cent of the electorate undecided up to the last moment, and another 20 per cent leaning towards the smaller parties, particularly a left-wing nostalgia party called Dikki which is led by a former finance minister of Mr Papandreou's, Dimitris Tsovolas.

In the past week, Mr Simitis has made attempts to liven up break the perception that the two main parties differ little on their main policy planks preparing the economy for con- Greek people with pledges of vergence with the European prudent financial management, Union and improving relations he has spent the last few days handing out thousands of extra places at state universities.

Greece, the poorest country in the European Union, has to pick up the tab for years of extravagance and corruption and needs a political leader strong enough to convince the people that the sacrifices looming are worth it. Neither Mr Sunitis nor Mr Evert entirely fits the hill, and both are both sitting on tenuous perches within their respective parties.

23rd September 1996



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Students in ligher education	8.000	170,000
Students in centres of professional tr	578	10.00
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#### **Scientists** For the best deal, buy Cellphones rewrite Australian pre-history ROBERT MILLIKEN

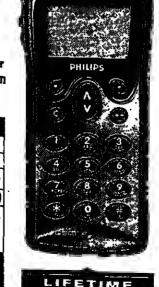
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# Rwanda racked by genocide of stealth

AVID ORR ihengeri, Rwanda

he hills of north-western wanda might appear a haven peace, but in recent months undreds of people have been lurdered here.

The rising number of attacks guerrillas has led some to aim the 1994 genocide, in hich 500,000 people died, connues to this day. Also causing oncern among human-rights ponitors are repressive ounter-insurgency operations which hundreds of unarmed ivilians have been killed by govrnment troops in recent

bouths. The harred which gave rise to he genocide two years ago is till tearing apart this Central African nation. Despite the pending of hundreds of milions of pounds by the internaional community and the resence of thousands of Unit-

#### They said they were going to kill us for talking to the military. They shot four people'

d Nations and aid-agency perpanel, the two ethnic ommunities seem no near recdeciliatioo. Reports by UN hunan-rights observers indicate that not only have the massacres continued but that of late they

North-western Rwanda has befome a battleground for extrenists from the Hutu majority and soldiers of the lutti-dominated army; of 283 ollings last month documented in a just-released report by the UN Human Rights Operaion in Rwanda (HRFOR), nore than 200 occurred in the orth-west. Nearly all of those the died were unarmed civil-

ans, both Hutus and Tutsis. Among those being targeted ry the guerrillas are Tutsi surivors of the genocide who night testify against those who committed atrocities. In one atack at the end of June, 28 Tutsis, among them 16 genocide

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terahamwe (an extremist Hutu militia) was responsible.

The Interahamwe came in the eveniog when we were asleep," said Deline Mukamu-soni. "They broke into our house, saying they were going to kill us for talking to the mildead, including my father. I ran out with my baby and hid in the bushes. I know the names of the two men who led them to our house. I can no longer live here; they could come back for me at any time."

Mrs Mukarousoni had denounced the two men who had murdered her mother and grandfather during the genocide. What frightens her is that the militiamen had come from over the border with the specific intention of killing her family and that they were given direc-tions to the house by neighbours. She has recently moved

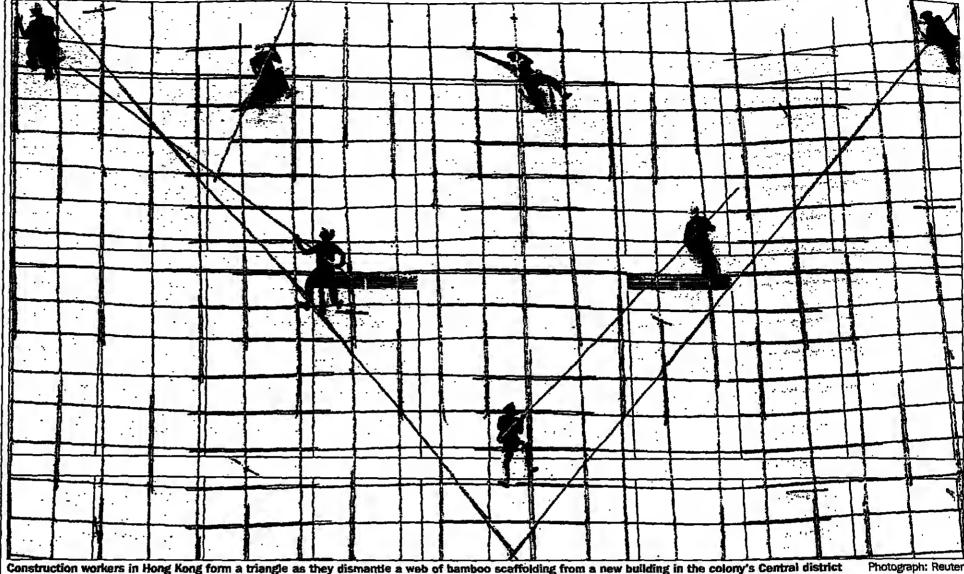
to another commune. Also being targeted are local officials, often Hutus deemed traitors for working with the Tutsi-dominated government. HRFOR said three dozen local officials were assassinated in July and August, almost certainly by Hutu insurgents.

The army's response has beeo to launch massive and "cordoo and search" operations, rounding up as many as 10,000 people in the mainly Hutu populated countryside.

In the course of the past three months, hundreds of civilians have been shot by soldiers and dozens of others led away, not to be seen again by their

"There oeeds to be serious concern about the level of ling by the Rwandan army." said Ian Martin of the UN Centre for Human Rights. "We're convinced that a lot of unarmed people are being killed. It's impossible to tell how many are collaborators - but even if they are, they shouldn't be considered legitimate targets unless they're posing an actual threat. There must be an investigation into what the army is doing."

The government defends its swoops as legitimate security operations, insisting that many Hutus are openly collaborating with the infiltrators. Few dare to speak out against the army: in recent months three Hutu mayors in the north-west have Hong Kong's high-rise spidermen unravel a building from web of bamboo



## Tobacco barons smoke out the enemy

Winston-Salem, North Carolina - It is 9 am at the New Deal warehouse and Chuck Jordan, the "1989 World Champion Tobacco Auctioneer", goes about his legendary business. He proceeds up and down the lines of tobacco "piles", each between 200 and 275lb, laid across an area the size of a soccer field, making his poetry as he goes along. Trailing him are a cobort of buyers from the big tobacco the stuff. Or more exactly, oo companies. "Who II give me the RJ Reynolds Tobacco Com-ninely-one, ninety-two, done... pany, founded in 1875. ninety-one, ninety-two...

The words flow endlessly, a hypnotic incantation. A clerk scrawls the details on each label, followed by a woman who attaches a coloured tag to each pile. Yellow signifies Camel, green Lorillard, and red-and-white Philip Morris.

Whatever else this sale may be, it is not an auction. The agreed price never varies: a handsome \$1.92 (£1.24) a pound, even for poor quality tobacco, yellowy-green not golden of leaf, and mouldy. Strange goings-on perhaps, but then for the tobacco trade, these are not ordinary times: their product persecuted as oever before

In Winston-Salem, tobacco runs in the blood. "Ain't no bacco, be a ghost town round here," muttered one grizzled old farmer as he surveys proceedings, a digarette clamped between his lips. An exaggeration, given North Carolina's booming and increasingly diversified economy. But the weed still accounts for one in 11 jobs in the state, and this town is built oo

The ooe distinction of an "Anywhere USA" skylioe is RIR's 22-storey headquarters, built in 1927 in the Art Deco style and reputedly the inspiration for the Empire State Building in New York. Winston-Salem is surely the only town anywhere to have given its name to two best-selling cigarette brands (remember those 1968 advertisements, how the menthol Salems "gently air-soften each puff for a taste that's country-soft. Take

a puff - its springtime"?) A marketing pitch like that would be a category one felony today, when RJR's chief executive is accused of lying to Congress, when each week brings a hillion-dollar lawsuit and a fresh anni-smoking ser-

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#### CAROLINA DAYS

mon from the President, and the government seeks to classify tobacco as a dangerous drug.

You sense the siege mentality instantly at Whitaker Park, on the northern edge of the city, its fountains and gardens providing the setting for a state-ofthe-art factory capable of turning out 275 million cigarettes a day, one fifth of all the tobacco consumed in the US. A prim, tight-faced woman took me on the standard 30-minute tour of the plant, not deviating an instant from her prepared

nocuous of questions. Afterwards you get an RJR pen, a disposable fold-out ashtray, an RJR book of matches, "and would you like a complimenta-

ry pack of cigarettes. sir?" At the New Deal warehouse, however, there is no trace of defensiveness. Everyooe assumes the Clinton administration's sault is an election-year ploy

course if this goes on, it could change. But the whole thing is political: it's oot as if tobacco is hurting people who don't know. Everyone knows it harms." The 32,000th of tobacco he'll sell in 1996 will fetch \$60,000.

Sam Young, manager of the 37 million pounds of sales allocated by the federal government to the Winston Salem region, cannot remember when prices were so high for so long. But even he wonders what is goto win votes in other states" ing on as the companies no (though assuredly not in North longer even pretend to compete Carolina). "We haven't suf- on the bidding. "They comend fered any problems yet," says there's a world shortage of to-Stewart Pruilt, who runs a 12-bacco; and of course the hurrithere's a world shortage of toscript, even for the most in- acre farm near Pilot Mountain, cane [Fran, which ravaged

north of Winstoo-Salem. "Of North Carolina earlier this month] didn't help. But these high prices may be a deliberate way of telling the farmers and the industry, doo't worry, we're behind you."

And so the tohacco wars continue. Whatever happens in the US, humankind's fondness for the weed is, if anything, increasing. As the sunlight shafts down from windows as through the stained glass of a cathedral. the warehouse seems a church, and his business eternal. Out on the floor Chuck Jordan pursues his mantra: "Who'll give me ninety-one, ninety-two... ninety-two, ninety-two...

Rupert Comwell





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French visit: Vatican policy that strictly respected church-state sensibilities produces successful end to a controversial trip

# **Battalions** of faithful give Pope a victory

MARY DEJEVSKY

The church-state battles generated by the Pope's visit to France ended yesterday with a victory for the church - in terms of turn-out, at least.

Almost 200,000 people from northern France and neighbouring countries gathered at Rheims airport for an open-air Mass that ended in applause and spontaneous shouts of "Hoorah, Long live the Pope".

Two hours later, in Paris, a demonstration supported by more than 70 organisations mustered barely 6,000 people to protest at the use of state funds to subsidise the Pope's visit, and to demand that the constitutional separation of church and state be observed.

As the Pope flew home last night there were expressions of satisfaction from French bishops. There were also signs that the Vatican had gone out of its way to avoid or defuse the most divisive controversies.

With evident relief, the Archbishop of Paris, Cardinal Jean-Marie Lustiger, spoke of the "calming" effect of the visit, and a spokesman for the French episcopal council said that the argument about church-state relations that had "soured the mood" before the four-day visit would "not be allowed to poi-

son relations again". As the Paris demonstration was melting into the back streets of the capital, the Pope was embarking on the single most contested event of his visit: a special Mass in the magnificent mediaeval cathedral of Rheims to commemorate the 1,500th anniversary of the baptism of Clovis, regarded as

France's first king. Arguments about the Clovis

celebrations had thundered hack and forth in France since the beginning of the year. Was it appropriate to celebrate the anniversary of the baptism of France's first king in a state that is not just a republic, but constitutionally secular?

Other tensions, however, were successfully defused or much played down. The deci-sion by President Jacques Chirac not to attend the Mass in Rheims, despite initial plans to do so, nullified the objections of non-Catholics, who had said his presence would serve to associate the state too closely with the Catholic Church. The only ministers to attend any of the papal events were those known as devout Catholics and with local connections in the places the Pope visited.

If the state kept to state protocol, the Pope remained, in his Clovis utterances, within the realm of the sacred, concentrating on the religious signifi-cance of the baptism of Clovis, and stressing baptism as a sacra-ment for all Christians, rather than the "baptism of France" through the baptism of Clovis. He carefully called Clovis "King of the Franks" rather than of

Throughout, the Pope looked tired and in pain and moved with difficulty, but he completed the whole of a crowded programme. The Bishop of Tours Mgr Honoré, who accompanied him for the first three days, said the Pope was clearly in "fragile health" but had a good appetite and was able to rest.

He said the Pope spoke "freely and with a smile" about the end of ms m he quoted the Pope as saying, "it is I who decide when to go to bed, but it is God who decides whether I get np.



Banging the drum: A Force Ouvriere supporter joining demonbstartions in Paris over the use of state funds to subsidise the Pontiff's visit

# Bishop carries torch for Romanian minority

As befits a Calvinist Bishop and a man with a cause, Laszlo Tokes has a stem air which does not lend itself to smiling. But he softens as he thinks back to December 1989 and the tumultuous events in the western Roman-ian city of Timisoara which precipitated the downfall of the dictator Nicolae Ceausescu.

Then a priest in Timisoara, Bishop Tokes was the spark for the revolution, a man of principle who dared to speak against the system. The masses gathered in protest around him, following an order for his eviction.

"What a marvellous monent," he recalled. "For s few prief weeks we were all united in our aim] to get rid of the evil Ceausescu, after which we hop-ed everything would change."

Like most Romanians, Bishop Tokes, now 44, hoped the toppling of Ceausescu would lead to the rapid establishment of democratic freedoms. In his case, however, there was a particular concern over the wellbeing of the country's large ethnic Hungarian minority, of

whom he is one. After decades of persecution under the Communists, the country's ethnic Hungarians, who are concentrated in Transylvania, hoped to gain linguistic and cultural rights and to halt the erosion of their identity.

For a while it looked as though they might succeed. Ethnic Hungarians and Ko nians had stood side by side in the revolution and, in recognition of the role he had played,

Local heroes: Bishop Laszlo Tokes

Bishop Tokes was invited to join the now ruling National Salva-tion Front in Bucharest, Ceausescu's successor, Ion Iliescu, was promising minority rights. But the honeymoon did not

last. Within weeks ancient frictions resurfaced and in March 1990 four people were killed in clashes hetween Romanians and ethnic Hungarians. In the years since, Bishop Tokes, who doubles as honorary president of the Democratic Union of continued to champion the rights of ethnic Hungarians. The hishop is revered by his

own people, hut Romanian na-tionalists see him as the Devil incarnate, whose real aim, they claim, is to bring Transylvania back under Hungarian control - as it was until the collapse of the Austro-Hungarian empire

in 1918. Bishop Tokes's adoption of the ethnic Hungarian cause has cost him dearly. In addition to death threats, he has endured what he describes as a campaign of vilification and intimidation. Instead of gaining rights,- to education in Hungarian, for instance - his people have been losing ground, he insists.

A friendship treaty signed by A friendship treaty signed of Hungary and Romania last week was supposed to resolve the issue of minority rights. In the issue of minority rights. In the issue of minority rights regulations as

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Laszlo Tokes: Fighting for ethnic Hungarian rights

laid down by bodies such as the Council of Europe and the United Nations.

According to Bishop Tokes. however, the treaty was a sham, and offered no concrete rights to the 1.6 million ethnic Hungarians in Romania. It was simply intended to shore up both countries hids to join the European Union and Nato.

"It was a shame; it was the perfect opportunity to really im-prove things for us," he said. But he does not intend to give up. Since the events in Timisoara in 1989 my life has been pre-determined. I am devoted to this politics and this people. I am a pastor after all. I have a

Adrian Bridge

#### Perot goes to court in bid to be heard

RUPERT CORNWELL Washington

Ross Perot's Reform Party today files an injunction in a last-ditch effort to force his inclusion in the presidential debates scheduled for Hartford, Connecticut on 6 October and San Diego on 16 October.

On Saturday representatives of President Bill Clinton and his Republican challenger, Boh Dole, agreed to two 90-minute confrontations sandwiched around a vice-presidential debate on 9 October between Al Gore and Mr Dole's runningmate, Jack Kemp. After recommendations of the bipartisan Presidential Debates Commission last week, neither Mr Perot nor his running-mate,

Pat Choate, will take part. The decision was a tactical victory for the Dole camp, based on the calculation that he would have split the anti-Clinton vote and attracted support that would otherwise have gone to the Republicans. For that same reason the White House pressed for Mr Perot's inclusion.



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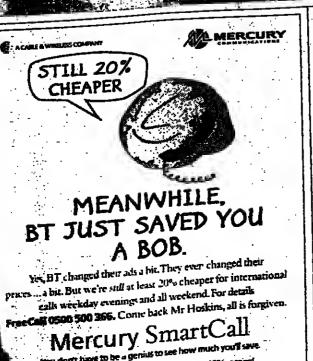
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## international

## SA old guard blocks black judge

South Africa's white judicial establishment is making a shrill and concerted effort to block the appointment of the country's first black chief justice.

One hundred judges, in-cluding 10 of the 11 on the Appeal Court, have come out against Ismail Mahomed, the first hlack appointee to the Supreme Court and a member of the new Consultational Court. The white judges, almost all appointed in the apartheid era, are hacking, Hennie van Heerden, the most senior member of the Appeal Court.

Bhutto

killing

sparks

unrest

Larkana (Reuter) - Demon-strators fought police yesterday

outside the ancestral home of

Murtaza Bhutto, the last male

scion of Pakistan's leading po-

litical clan, whose death on

Friday threatens to plunge the

country into renewed political

nazir Bhutto, died in a hail of

police hullets outside his Karachi home. Police said his bodyguards, seven of whom

also died, fired first, Murtaza

supporters blocked the road with hurning tyres yesterday

and chanted slogans accusing Ms Bhutto's husband, Asif Ali

haoging in 1979.

Murtaza 42, estranged hrother of the Prime Minister, Be-

The judges said they had to speak out after President Nelon Mandela's premature show of support for Judge Mahomed. But critics said their intervention, in probably the most important legal appointment of the ost-apartheid era, exposes the deep resistance to change in the judiciary's old guard. An Appeal Court Judge,

Joos Hefer, who said Mr Mandela's favouritism made a mockery of the new selection process, demanded that Judge Mahomed should resign if there is any honour left in this game". That earned him a reprimand from the retiring Chief Justice, Michael Corbett.

To some, talk of honour from such quarters – Judge Hefer was pendently and against the racist interests of the apartheid gova champion of apartheid emergency legislation in the late And where, he asked was

1980s - reeks of hypocrisy.

were on the bench were pun-

ished by being overlooked as

chief justice for acting inde-

young advocate Ismail Macalls by these luminaries when homed had to finish his argument in one day at the Appeal Court in Bloemfontein, bemediocre members of the erstwhile volk were appointed to the bench by the former state prescause if he stayed overnight he would break the Gronp Areas ident?" asked Clifford Mailer, a leading advocate and former Act. Not a voice was raised in colleague of Judge Mahomed. protest, said Mr Mailer, when the same apartheid laws pre-vented Mr Mahomed lunching "Where were there calls of dismay when genuine candi-dates were overlooked for the with colleagues in the bar dinbench and when others who ing-room.

Criticism of Mr Mandela's support for Judge Mahomed was a smokescreen for the real

their sense of fair play when the

issues, said Mr Mailer. Anoth-er commentator agreed: "The truth is that few judges on the bench embrace the new culture of human rights and are hostile

But no one would dispute that the President's indication of preference to the Judicial Services Commission (JSC) was unhelpful to Judge Mahomed. Although the appointment of the chief justice ultimately lies with the President, he is supposed to consult the JSC and the Cabinet first.

Many testify to the judge's outstanding ability and intellect but the cloud of affirmative acSupreme Court Judge Rex van Schalkwyk resigned recently, he said affirmative-action appointments were one reason.

Despue Mr Mandela's indiscretion, at least South Africa now has a mechanism for wide consultation about the chief justice's post, and nominations can come from all ranks of the bench. Before, the chief justice was appointed from the ranks of the Appeal Court.

The new transparency in-cludes public hearings next week at which both candidates will be questioned by the Judicial Services Commission. An appointment is to be made be tion hangs over him. When fore the end of the year.

[martyr] Bhutto group posed no

party, but security officials have

said it was suspected of being

behind bomb attacks that killed

one person and wounded three

He denied the claim just be-

arachi last week.

threat to his sister's ma

## significant shorts

### Samper's jet heroin haul

THE INDEPENDENT . W. LAG. DE TOTAL

Eleven crew members from the Colombian President's jet were being detained and questioned yesterday in an effort to determine who put 3.7kilos (8.2lbs) of heroin aboard the aircraft.

The heroin was discovered on Friday after an anonymous telephone tip, and President Ernesto Samper opted to fly by commercial jet on Saturday to New York, where he is to deliver an antidrug speech to the United Nations General Assembly today. The government suggested the drug was planted aboard the Boeing 707 to embarrass Mr Samper, who won election in 1994 with \$6m (£4m) in drug contributions but was cleared by Congress in June of corruption charges. AP - Bogota

#### Saudis behead four Nigerians

Four Nigerian men were beheaded in Mecca for robbing a gold store, the Saudi Arabian Interior Ministry said in a statement.

Under Saudi Arabia's Islamic laws, convicted rapists, murderers and drug smugglers can get the death sentence. Robbery is usually punishable by fines, jail, or amputation of the hands. It was not clear why the Nigerians were executed for robbery alone. AP - Jiddah

#### Bleak future for Algeria

The Algerian president, Liamine Zeroual, in a rare news conference, has given his 29 million people a hleak assessment of their shortterm future, diplomats and commentators said. About 50,000 people have been killed in a four-year conflict pitting Islamic guerrillas against the government, and the economy is shrinking. Reuter - Paris

US carrier set crew held over to leave Gulf as Iraq backs off

The United States may de cide next week to remove one of its two aircraft carriers from the Gulf because Iraq appears to be backing away from a confrontation with Washington, the United States Defence Secretary William Perry said. A decision would be made next week on whether to return the carrier Carl Vinson to the US in October, leaving only the carrier Enterprise in the Gulf. I truly believe that Iraq is backing off from the threatening actions they were taking a week ago. But we will watch it very carefully ... every day, every hour," Mr Perry said. Reuter - Stockholm

#### Tension rises in Lebanon

A five-nation committee monitoring a ceasefire understanding in Lehanon has had a tense meeting discussing complaints following Israel-Hizbollah fighting, Lebanese officials said. They said the US. French, Syrian, Lebanese and Israeli delegates adjourned the meeting to Tuesday, in Nagoura, to weigh a complaint by Beirut that Is-rael shelled civilian areas in south Lebanon on Thursday. Israel said it would complain that Hizbollah guerrillas fired on its forces from three villages that day. Reuter - Bierut

#### Sri Lankan troops attack

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Sri Lankan troops, backed by tanks, artillery and air support, launched a fresh attack on the heartland of Tamil Tiger rebel territory, military officials said. It was the first major push for more than a ? month by the Sri Lankan security forces, who had dug in north of the rebel-held northern town of Kilinochchi a gateway to the rebels' . jungle stronghold of Wanni. uter - Colomba



Benazir Bhutto and other officials praying for Murtaza yesterday at Larkana, the family's ancestral home

Members of the divided panied by Ms Bhutto and an-Bhutto political dynasty came other daughter, Sanam, laid together to pay respects to red roses on Murtaza's grave Murtaza. His death has shaken yesterday. Nusrat issued a state-Ms Bhutto, who inherited the ment saying Murtaza's death leadership of the Pakistan Peowas part of a conspiracy against ple's Party (PPP) from their fa-ther, the former prime minister the Bhutto family. She denied reports that she had implicat-Zulfikar Ali Bhutto, after his ed Benazir and her husband. Nusrat also lost another son, His mother, Nusrat, accom-Shahnawaz, who died, possibly

poisoned, in France in 1985. Opposition politicians have also accused Ms Bhutto and her husband of being responsible for Murtaza's death. Ms Bhutto's government prided itself on what it saw as restoration of a semblance of peace to Karachi, where a struggle with ethnic militants of the Mohajir National Movement (MQM) cost 2,000

lives last year. Now the leeway Ms Bhutto gave the security forces against the MQM appears to have rebounded. "The Karachi police, a creation of the government, has bepresent come a Frankenstein." said the Nation yesterday.

Last year Murtaza formed a splinter faction of the PPP. He spent 16 years in exile, mainly

in Syria, at the head of Al-Zulfikar, a group accused of hijacking a Pakistani airliner in 1981. He returned home in 1993 to face charges arising from his struggle against President Zia ul-Haq, who executed his father. He was freed on hail after seven months.

Murtaza's PPP-Shaheed

fore his death and accused security forces of planting the bombs to discredit him.

THE INDEPENDENT

INDEPENDENT ON SUNDAY

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There are 65 Café Rouge restaurants, located in England and Scotland, which are participating in our offer. For further details, see our list below.

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superh offers of lunch for plus coffee, worth up to £13, for £5 and dinner for £10, you can do so. Just remember to collect three differently numbered tokens plus a voucher for each offer. Tokens can be redeemed at

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3. The cost of drinks is not included in either offer and a 12.5% optional service charge will be added to the cost of any drinks or purchases additional to the offer.

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# It pays to listen to the Liberal Democrats

ith a whimper, not a bang, the party conference season has begun. The logos even match the weather: lots of gloomy grey, with pe occasional glimmer of damp gold. Paddy Ashdown's podium speech will make it on to the television news bulletins. But most of the media will view this week's Liberal Democrat conference as a practice run for the red and blue political extravaganzas in follow.

However, it would be a hig mistake to ignore the debates in Brighton. True, Paddy Ashdown will not win the general election. Even in the event of a hung parliament the government is unlikely to march to a Liberal Democrat tune. Compromises will be made, deals done, and Liberal Democrats will temper their policy ambitions faced with the pragmatics of power.

However, it is exactly because the Liberal Democrats are not pursuing victory at the general election that they are so important today. Since they won't have to take responsibility for executing their policies, they can think the unthinkable. And because they don't have to build a majority coalition across the country, they can advocate the unpalatable. Not for them the anguish that convulses Labour and the Tories over unpopular policies

which might lose them votes. Liberal Democrat politicians form an elected national think-tank, bringing legitimacy to new ideas and drawing

them into the political mainstream. Our

democracy is much richer for them. The party has an extremely useful, if slightly curious, double identity. On the one hand, Liberal Democrats are the moderates, tucked in between two warring coalitions, avoiding dogma and ideology and talking sense. On the other, they are the party of stroppy little guys, instinctive rebels and outsiders, who can't help themselves reacting against any big institution or broad consensus of ideas.

So the non-conformists among them hack unconventional ideas and new approaches to the world. That activists at the Liberal Democrat conference last year wanted to examine the legalisation of drugs should come as no surprise. But their moderate side lends respectability and credibility to ideas that

might otherwise be laughed out of sight. Thus not only can they bounce the Conservatives and Labour into accepting new ideas, they can also persuade the public where the other two parties might fail. Cautious always about the votes they might lose in the run-up to a close election, neither main party is in a strong position to provide national leadership on difficult issues.

Consider petrol taxes. The Liberal Democrats were not the first group to propose higher taxes on pollution and car use. Nevertheless the Liberal Democrat talking heads who kept discussing green taxation on television



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before the last election did raise the issue in the public consciousness. So by the time the Conservative government started pushing up petrol taxes, no one believed they were giving in to the ravings of environmental extremists. The Tories were able to do something pro-

gressive, and still sound conservative. Similarly, the Liberal Democrats have pushed the debate on constitutional reform. Their proposals are not revolutionary; the Queen still reigns in Ashdown's vision of the future. But they have argued for widet institutional change than the Labour Party - calling for proportional representation to elect

the House of Commons, and endorsing regional government with more enthusiasm than Tony Blair has so far done.

On the most difficult political issue of all - taxation - the Liberal Democrat voice is now vital. While Conservative and Labour politicians wouldn't dream of calling for tax rises in the runup to the election, the Liberal Democrats are still advocating an extra 1p on income tax to spend on education. The fact is that the Liberal Democrats are the only national political party to challenge the prevalent popular view that all tax rises for all purposes are deeply undesirable (and even, as John

the public finances so weak, and the demand for investment in education so high, the next government may well need to raise taxes.

But the Conservatives won't admit that tax increases can be constructive. And Labour can't. Having lost elections in the past on tax-and-spend, Labour can only follow the existing public consensus on taxation. It has not the authority or strength to build a popular consensus in favour of tax increases. So it falls to the Liberal Democrats to persuade voters that higher taxes need not be such a terrible thing.

Those who say that British politics

isn't big enough for more than two major parties are wrong. There may not be much ideological space between new Lahour and left-wing Conservatives, but the political space around them is immense. It is true that the moderate side of the Liberal Democrat identity, eschewing extremism and ideology, is now personified far more effectively in Tony Blair. But the creative, independent, truly liberal side of the Liberal Democrats would be sorely missed if Ashdown's party did not exist.

Ashdown might show a willingness to be aligned increasingly with Tony Blair. But even this is tempered by the increasing illiberal tendencies of some leading Labour figures. And British democracy would be poorer if the Lib-

Major implies, morally wrong). And eral Democrats were submerged thank goodness they are, because with underneath a new, Labour-led centrist party. Whether it be providing local government leadership, healthy oppo-sition to both Labour and the Inries at local level, or generating radical new policies for the nation, the Liberal Democrats bave an important role in play. We should watch events at Brighton closely this week, not to see the policies of the next government, but because we may see the glimmer of policies for the next millennium.

#### Roots on Ramsey Street

Our early ancestors had terrible Otravel agents. Had Judith Chalmers and her pals been around they would have swiftly advised Homo erectus to try the delights of the Med rather than the wilds of the Australian outback. Yet newly discovered cave paintings and ancient artefacts suggest that the first human foray out of Africa took place down under after all.

But there is another interpretation. Perhaps buman life actually started in Australia. Could it be that the overwhelming popularity in Britain of the Codies, Kylies and Toadies of Ramsey Street is just our yearning to get hack to our roots?

#### • LETTERS TO THE EDITOR •

#### Dangers of genetic foodtampering

Sir. Your leading article of 20 September discussed BSE and organic farming and also touched on genetically engineered food. The possible dangers of hasty adoption of such food products make the BSE crisis pale by comparison.

A number of scientists are pointing out that there is no way to predict the full effects of genetically modified foods on humans, animals and the environment.

There have already been cases where people have suffered allergies, paralysis, and death from genetically modified food.

Cross-fertilisation of modified crops with unmodified crops, and the increasing use of herbicides (through plants producing their own pesticides, or being bred to be more herbicide-resistant), will result in irreversible changes to the ecosystem.

At the very least two things are required: a much more rigorous testing of the effects of genetically engineered food; and clear lahelling of any products containing such food, including the source of any genes coming from other products, so that people experiencing side-effects or with allergies to the source product can easily track down the

cause of their problem. It is quite shocking that there are plans to hring a large crop of soya beans genetically engineered to resist weedkiller into the country in the next few months.

In one form or another these will find their way into about 60 per cent of the food on supermarket shelves, including baby food. ANDREW JEDRCZAK Cardiff

Sir. In his latest address Prince Charles showed a firm grip of reality, pointing out that pulls have shown that the public prizes the countryside second after free speech. But Suzanne Moore seems to begrudge bim the latter ("Charles: King of the Legumes" September 20).

What could be more relevant to the present day than to point out that modern farming methods have led in BSE and to the exploitanon of farm animals and livestock (such as battery chickens)? Good Duchy of Cornwall products now on salecheeses, wine and wheat and oaten biscuits - show that Charles is putting his principles into practice. JENNIFER MILLER London SW75

Sir: I wonder if Prince Charles ("BSE is an offence against God, says Prince Charles", 20 September) considers his beloved Jack Russell to be an affence against God. There are nn Jack Russells, corgis, race horses or Friesian cows in the wild. All nf them are "genetically modified organisms<sup>\*</sup>

Not one item in the average supermarket is 100 per cent "natural", especially the fruit and

Does Prince Charles develop a cold sweat every time he is offered a scediess grapé? London W14

AND THE REAL PROPERTY.

Sir: Prince Charles was lecturing, by invitation, to the Soil Association. thation to the Moore would have believe, foising his masked when on an unwilling world. the difference between



organically grown vegetables and the pesticide-treated, chemically fertilized variety, can be in any doubt that he is right.

When I see what disasters have been caused by chemical and genetical assaults on nur planet, I know whose views I prefer. JOHN ANSTEY London EC1

#### Vision that drew me from atheism

Sir: Bryan Appleyard ("Catholicism made us what we are", 19 September) perpetuates the false image of a Church besieged, paranoid about its place in the world and defending absolutism" against the ravages of liberal relativism. It is not the vision of Christianity which drew me from atheism to Catholicism some 10 years ago.

Anyone attending any of the Christian churches today, or at any time in history, would realise that the real logical consequence of believing in a God who became incarnate is that life is not as simple as "absolutists" make out.

The Gospels do present clear values, and insights on life and life in Christ, However the reality of Incarnation is that their application in any given age or culture needs to be discerned, through prayer, as faith, both individual and that of the Church as a community, develops.

Even current "absolutes", like marriage and clerical celibacy, have seen theological and canonical developments over the centuries. Much of the celebrated "philosophical genius" owes more to Aristotle than the Gospels and was rejected in Aquinas's own

time as irredeemably pagan.
All Christian denominations have their "liberal" and

"conservative" wings. Christianity is really about a praying, living, growing community, united in that life and growth by a common belief in a God who not only died for us, but also rose again to new life. It is this latter mystery which is the real distinction between Christianity and a purely secular understanding

CATHERINE SHELLY London SE5

Longfield, Kent

Gravesend, Kent

Sir. The religious view of Creation ("God, the British and Runcie", 12 September) is naïve and lacks a real cosmic perspective. But the atheistic attitude of the likes of Atkins and Dawkins is also naïve. It was Einstein who said: "Religion without science is blind, and science without religion is lame." R BARNES Chartered Engineer

Sir: If the possessor of one of "the brightest, most subtle and most perceptive minds of his generation ("Twenty-five years of Ireland's Dr Nn", 20 September) believes in the Devil, the Anti-Christ and God's curses on unbelievers, there can be no hope for the people of Northern

One wonders about the beliefs nf those afflicted with duller, less subtle and less perceptive minds than Ian Paisley, firebreathing dragons and fairies at the bottom of the garden? ALÁN STABLEFORD

#### Cheaper single rail tickets

Sir: The problem highlighted by the action of the Rail Regulator, John Swift ("Rail firms block creative ourneys", September 20), is the fare structure used on Britain's railway system.

Cheap day returns and other railcard rickets are almost the same price as a single ticket, which is fine for a simple return trip on the same route. But should you want to return by a different route, nr do a round trip by visiting somewhere else before returning home, you could find it very expensive or awkward, as you would be forced to buy either overpriced single tickets or unnecessary return tickets.

The solution would be to sell cheap day single tickets at a price much nearer that of half a return ticket, so that passengers could enjoy much greater flexibility, as they do in France. It must be remembered that the train operators' main competition is not from each other but from road and, to a lesser extent, air transport. DAVID NOWELL New Barnet, Hertfordshire

#### No. Melanie

Sir: Melanie Phillips ("Nn1 just an educated guess", 14 September) cannot get away with replying to my review of her book All Must Have Prizes by using the same techniques as she used in the book itself.

She accuses me of being dishonest, not engaging with her

Post letters to Letters to the Editor, and include a daytime telephone number.

(Fac: 0171-293 2056; e-mail: letters@independent.co.uk) Letters may be edited for length and clarity.

arguments, and defending the indefensible (or "teachers" as some people prefer to call them). She must have missed the references to Dewey, Adorno, examples of her mis-stating of people's positions,

and arguments against her position I stated that I had never met a teacher who believed, as she claims the profession does, "that no value or activity can be held to be any better or worse than any other". She replies that some teachers neglect mathematical and grammatical rules - not the same thing. The naughty bit of innuendo, "It is a great pity Professor Wragg felt unable to accept his invitation to take part in Thursday's Observer debate", won't do. Not "felt imable", but rather "was unable". I had been committed for months to lecturing at a national conference

of special needs teachers at the very same hour. Professor E CWRAGG School of Education University of Exeter

#### Best wayto keep neighbours sweet

Sir: Jack Straw may be right, as you suggest in your leading article of 18 September, to try and reframe the law on neighbour nuisance. The Community Safety Order, carrying a possible imprisonment penalty for infringement, is certainly a radical measure. However, it fails to recognise a basic fact: the vast mainrity of neighbour disputes are two-sided affairs in which problems have escalated, often from small heginnines.

Labour would do well to consider alternatives to measures that run the risk of escalating hostility even further. Mediatinn, as an effective means of conflict

resolution, is increasingly accepted and encouraged in a variety of arenas. In the field of neighbour disputes there are about 25 voluntary mediatinn services natinnwide. These services huild consensus in the community by helping neighbours in the peaceful resolution of disputes and by teaching negotiating skills. All services are independent and have the usual

struggle to raise funds. What about a pledge to support such measures? Mediation offers a far greater hope for the lasting resolution of conflict than an imposed order such as the nne Mr Straw is advocating.
MARION STEVENSON

Chair, Oxford Community Mediation

#### Colour blind

Sir: As a teacher involved with the annual Nativity play, I hadn't realised how groundbreaking our productions were "Black into white makes theatre nistory", 19 September). We regularly have black Marys, Asian osephs and shepherds and kings of every "colour" and of

either sex. The children never had any problems with this as they were acting, ie pretending to be someone they were not. How strange that adults should have such difficulty coming to terms with a concept so easily understood by five- tn seven-

DIANGO SANKEY High Bentham, North Yorkshire

#### Elitism behind voting change

Sir: We must he grateful to Polly Toynbee for letting the cat out of the bag over the real reason for introducing proportional representation ("Defectors have only a walk-on part", 16

September). Forget all the talk of fairness it's about getting her pals with "qualifications for running the country" into Parliament. Of course they are too self-important to go "clocking up leafleting hours" - that's for the ordinary folk. And where are these rarefied

souls to be found? Obvinusly not at local level - certainly they won't have bothered to serve their community on a local council or been active in the local party or as a trade union representative. Her ideal candidate will no doubt be fnund at chic London dinner parties among the chattering

It is this nauscating élitism that was the rotten core of the SDP, and one of the main reasons why it failed. In reality Alan Howarth, like the vast majority of his new colleagues in the PLP, is a decent and able MP. His cause will not have been served by the rancid support of Polly Toynbee.
JOHN F SPELLAR MP (Warley West, Labour) House of Commons, London SWI

#### **Publicity for** Martini

Sir: I am surprised that a newspaper of your quality should play into the hands of the marketing men at Martini ("Any parts, anyone, anywhere", 19 September).

Apart from its inherent naffness, this campaign relies nn "stirring up" interest in the media, which they are entitled to do. This type of campaign should be ignured by media and public alike lest others attempt to rile us into noticing their

products.

Advertising is becoming more intrusive and irritating and, with our only sanctuary, the BBC, under threat, we should at least make the companies pay to primote their products, not have publicity handed to them on a plate. SIMON BODECOTT Kingston upon Hull

#### Chained women Sir: What a sad and sorry day for

America, with the creation of its first female chain gang ("Women convicts join chain gang", 20

September).
Most of these women were not hardened criminals, being in mustly for drug possession or prostitution. What new depths will the American right plunge tn?

Ms S OWEN Hazlemere, Buckinghamshire

#### Immoral benefit

Sir: As an upper-but not top-income-bracket single parent, I had my children's allowance paid directly into a huilding society account, from which I paid for my daughter's (private) school ski trip "Labour drops over-16 benefit", 21 September).

Surely I am not alone in thinking that this is not a moral use of VAT paid by pensioners on their fuel

GEOFFREY M SAUNDERS **Dorking** 

THE INDEPENDENT - WEDNESDAY IS SEPTEM

# he stock and its in absurd

# The nation in a state

Trust in politicians and confidence in our system of government are at an all-time low, according to a major opinion poll out today. And the prospect of a Tony Blair government does not inspire new hope, argue **Stuart Weir** and Patrick **Dunleavy** 

scepter'd democracy was universally admired, its "great secret" was the deference of the British people. By and large, people were ready to leave politics to the politicians and had confidence in the way they were governed. This was a nation at peace with itself.

Forty years later, the mood of the public is profoundly altered. People no longer have faith in the way they are governed. They distrust government ministers and hold politicians in far greater contempt than they did even a generation ago. And while they now want more power over government policies, they know all too well that they don't possess it and are very pessimistic about their chances of ever obtaining

Even Britain's political circles now recognise that there is a crisis of confidence in government, but they largely ascribe it to a popular disillusion with the excesses of Mrs Thatcher's later years, the effects of the recent revelations of "sleaze" in government and Westminster and dismay at the sexual indiscretions of a handful of ministers and MPs. They therefore see popular discontent as a merely transient phenomenon which can be weathered by such palliatives as the Nolan reforms or the Critzen's Charter.

They do perhaps have an inking of a wider and deeper casis in confidence. But John Major clearly believes that the

the 1950s, when our repter'd democracy was inversally admired, its great secret" was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peoand large, people were to leave politics to the secret was the deference of the British peo-

huge scale of popular discontent and contempt. The evidence of a remarkable "State of the Nation" survey of public attitudes about the body politic in Britain, conducted this month by ICM for the Daily Mirror and Joseph Rowntree Reform Trust, reveals that most people believe it to be very sick indeed.

The misconduct of MPs, the Scott report's revelations of devious and incompetent ministers and a host of other political scandals and crises – like the BSE scare – have brought about a steep fall in just two years in belief in British democracy itself. In 1994, nearly three-quarters of people felt that they lived in a "very" or "fairly" democratic country. Two years later, fewer than two-thirds of people believe that Britain is democratic and

very" or "not at all" democratic.
Both Major and Blair need
also to come to terms with a popular contempt for politicians
which runs deeper and stronger
than either man supposes.

The Nolan Committee's need to carry the politicians along with change has fatally flawed its ability to satisfy the public. The fact is that people are overwhelmingly dissatisfied with the new rules governing MPs' carnings outside Parliament. In par-

ticular, people are clearly outraged by the arguments of MPs like the former Tory minister David Mellor, that they are entided to keep secret their earnings from private companies and interest groups because they have nothing to do with their role as MPs. By a lunge margin - 86 per cent to 8 - they reject

such special pleading.

People want their MPs to represent their constituency interests and to ensure that the government is efficient and honest, and to take up individual people's complaints and grievances. They are generally against MPs having any sort of employment outside Parliament.

But the most striking evidence of people's contempt for politicians comes in their responses to five questions first asked a generation ago, in 1973, for Granada Television. They show that the cyncism count has risen to alarming levels.

In 1973, only two-thirds of

In 1973, only two-thirds of people were ready to agree that "most politicians will promise anything to get votes"; now 81 per cent of people agree. In 1973, just 39 per cent believed that "politicians are in politics for what they can get out of it": now a whopping two-thirds of the population hold this view. Belief that politicians care what people think has fallen from 48 to 39 per

This contempt for politicians is, in our view, bound up in a wider distrust in the political system altogether. Take the BSE crisis, which most politicians and commentators believe that the Government has ingeniously turned into a populist issue of European interference and German malevolence. At one level this may be so.

this may be so.

But look deeper and what do you find? We asked ICM's pollsters to inquire whether people trusted government ministers and their advisory committees to tell the truth about the safety of food, nuclear installations, "British beef", medicines and safe sex and Aids. On the first three, there was a resounding "no" from three-quarters or

more of the people asked. Some 60 per cent replied "no" on the safety of medicines and even on safe sex and Aids — where the Government has tried, belatedly, to "tell the truth" people are still broadly sceptical (47 per cent said they did not trust the Government's sexual pronouncements compared with

only 41 per cent who did).

There is no sign anywhere, among politicians of all parties (nor among politicians of all parties (nor among politician pundits in the media), of willingness to think through these huge changes in public perception or to think what is now required to restore public faith in the way they are governed.

The two major parties and their MPs helieve that they can put their own interests first. After sifting through the evidence, our view is that the first – and most significant – change necessary is to give the publical far greater share in political decision-making. For a deeperlying dissatisfaction, in part fed by disillusion with politics and politicians, is also at work. In this and previous polls we have found that the great majority of people in Britain want a "great deal" or "fair amount" of power over government policies between elections. But very few people believe they possess any such influence. And more than a third of people now believe that they have no power at all over government policies. This mismatch between expectations and reality is damaging the fabric of democracy in Britain.

ake the greatest of all current issues – the future of the European Union and the single European currency. Here the public quite reasonably feel very pessimistic about their ability to influence events. More people are against the proposal to create a single European currency than favour it – the balance is 43 per cent against, 31 per cent for. A clear majority – of three to one – want a referendum on the issue. But by a majority of four to one, the

public believes that the single currency is none the less likely to come about, whatever their wishes may be and they tend to believe that Britain will finally join (by a majority of 38 per cent to 23). Mind you, even more people still (40 per cent) are simply unsure what will happen.

Unbarry though they may be.

Unhappy though they may be, the British people are not resigned to their undemocratic fate. The democratic agenda may well have been inspired by Charter 88 and the "chattering classes" but it is a unifying theme among the population as a whole, and especially among people who intend to vote Labour at the next election.

The great majority want greater checks and balances on government power. Some 77 per cent want a freedom of information act, 75 per cent want a bill of rights, and electoral reform is favoured by a massive three-to-one majority. Three-quarters of the public even want—ltorror of horrors for the political establishment—a written constitution "providing clear legal rules within which government ministers and civil sermon want are forced to operate".

Apologists for political elitism

often argue that people do not know what they are "voting for when they endorse such reforms. They write off the public's willingness to choose far-reaching reforms as a "knee-jerk" reaction. They point to contradictions in public attitudes (as though they themselves are free of such sins). Our experience of interpreting such pols is that the public is far wiser than it is given credit for being. For example, in the midst of the political controversy over the string of court rulings against Michael Howard (and other ministers), we asked people what their views were on the struggle between ministers and judges. Four out of five people agreed that judges must use their powers "to ensure that ministers act within the law". But when we gave people the chance to agree with Richard Shep-hard MP, that judges now pro-vided a more effective check on government than do MPs, the majority wisely preferred not to advance a view at all on such a delicate judgement.

surprisingly,

therefore, Labour

commands wide approval for its pledges to introduce a bill of rights, a freedom of information act, a referendum on the British voting system and the chance for people in England to have elected regional assemblies of their own. Indeed, the promise of a bill of rights comes second only to Gordon Brown's pledges on job creation and above Labour's promises to control inflation and introduce a minimum wage. But Labour's confusion over devolution in Scotland has almost removed past majorities for both Scottish and Welsh devolution in the country as a whole. Just 40 per cent now approve of Labour's plans for an Edinburgh parliament and a mere third believe

This loss of confidence is undoubtedly due to Labour's mishandling of the issue, for overall the survey reveals a strong wish for a lot more dispersal of power in Britain. Nearly two-thirds of people believe Ihat "government power" is too centralised and there are clear majorities for the view that regional assemblies or local councils should play a key role in developing major roads, initiating transport projects, cleaning up rivers and beaches, attracting new investment and

generating jobs.

A lot, therefore, is riding on the ability and political will of a future Labour government to fulfil its promise to deliver such change. Yet, not unreasonably, after the cover ups and U-turns on devolution to an Edinburgh parliament, people tend to be sceptical about Labour carrying out its other promises on democratic reform. True, nearly all the people who want a bill of rights believe Labour will deliver. But nearly as many people doubt that Labour will give them free-

dom of information as expect it to come about; and while twothirds approve the idea of a referendum on voting reform, only a third expect it to be honoured; and more are confident that it: won't happen.

won't happen.
So Tony Blair's exhortation to trust him is not working. And if he gets in and does not deliver, the long-term consequences could be more far-reaching than politicians and commentators might imagine.

Of course, the crisis of faith in Britain's system of governance is. part of a world-wide trend evident since the so-called triumph of democracy after the collapse of communism in 1989. There is, evidence everywhere of a loss of; trust in political institutions and politicians. There is also evifrom Bosnia to India and even-Belgium - of what happens when people lose faith in democracy and its ability to protectminorities against the intolerance of a frustrated and disenchanted majority. The downtum: dominance of neo-liberal economic policies through the world. have also played a significant, part in this general onset of disillusion. And it is arguable that the immediate post-war period: of political contenument in the est was probably atypical.

But it is equally unarguable that the crisis of faith in Britain is unique in significant respects. If so, and we are to restore confidence in British politicians, we must change the system within which they operate, and admit the public into that system.

Patrick Dunleavy is Professor of Government at the London School of Economics and Stuart Weir is director of the Democratic Audit, University of Essex. This is the third major Rowntree State of the Nation' poll since 1991. ICM interviewed a tightly controlled quora sample of 1,000 respondents in their own homes between 10 and 13 September. At the analysis stage the results were weighted to the exact profile of all-udults.

# There's no disguising problem toenails



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## A PR job on God Almighty? No way ...



Miles Kington

made one of my occasional trips to London the other day and was delighted to bump into my old friend Adrian Wardour-Street, the doyen of public relations operators.

operators.

"Or is Max Clifford the doyen of PR men these days?" I asked him mischievously, as he dragged me into a coffee bar for a strong espresso.

"I have no idea," said Ad-

"I have no idea," said Adrian. "Personally. I wouldn't use the word 'doyen'. I never use words which the British public cannot pronounce and do not know the meaning of. Call me the crown prince of

British PR. Call me the vizier of British PR. Call me the Lord High Executioner, the court jester or even the hurly midfield sweeper of British PR, but not the doyen. I looked it up once in a French dictionary. It means 'dean'. Who wants to be called the dean of British PR, or, indeed,

the dean of anything?"
"A dean might," I suggested. "The Doyen of St Paul's, for instance?"
"Don't talk to me about churchmen," growled Adrian.
"I've had churchmen up to

Such vehemence seemed out of character in my old friend, who was normally suaveness itself, as befits the eminence grise of British PR. "Tell me about it, dear boy." I murmured. "Who is it this

"Just the Catholie Church, that's who," he groaned. "It's this cellbacy business. They're in a right old tizzy about these Catholic histops who turn out to have mistresses and children."

Church want you to do about it?"
"Get them off the hook, that's all," said Adrian. "They

"So what do the Catholic

know I'm a great damage limitation fellow. Look at all the rumours about Ted Heath's love life, for instance."

"I've never heard any such

"Of course you haven't, dear boy. Thank Uncle Adrian for that, But this Bishop of

Argyil husiness ..."
A deep and sorrowful frown came across his face, like clouds spilling across England from the west.

"They came to me and said, 'Adrian, we're in hig trouble here in the Catholic Church because we have nowhere that naughty hishops can go to and pour out their troubles.' Hold on,' I said, 'I thought that's why you invented the confessional.' 'No, no,' they said, 'that was invented so priests could learn the facts of life.'
"So I said I'd have a quick look into it and they said each into it and they said each into it and they said each

"So I said I'd have a quick look into it, and they said not to take too long because at this rate there'd be cardinals coming on the scene with secret children, and then there'd be some huge damage limitation. And don't forget, they told me, 'that we have somehow got to restore the image of celibacy. Jesus was celibate. We priests model ourselves on him. That must stay the same.'

"Anyway, I bought a copy of the Bible and I had a look into this Catholic husiness and briefed myself on it, and called them back again. I looked at them very seriously and said: 'Gentlemen, you must prepare yourselves for a shock. I think celibacy is about to be blown out of the window,

celibate, yes, hut it didn't run in the family. You didn't tell me about that.

'They looked at me. They looked at each other. 'What do you mean?' they asked. 'I mean,' I said, 'Jesus may have been a goody goody, but it's more than you can say for his Father. You never told me that God the father did exactly

Jesus may well have been a

the same as the Bishop of Argyll. God had a secret love child, and his name was Jesus.' "You should have heard the stunned silence then

stunned silence then.

"Think about it,' I said.
'Mary was never consulted by God about becoming pregnant. He just got her with child. Nor did God have the courage to come and tell her himself that she was in the heavenly family way, hut sent an angel instead to spill the beans. Correct me if I am wrong, but God the Father

didn't provide much in the way of maintenance while Jesus was growing up, and didn't show up in the family home much. Nor was he around much in Jesus's last days. Believe me, gents, there seems little to choose between the Bishop of Argyll and dear old God the Father! The Bishop is following a very strong Bihlical tradition indeed."

There was a sitence.

"And then?" I asked.

"Then they said it was not my job to rewrite Christian history in newspaper headline terms, and f said, 'Listen, cardinals, sweeties, if you can find a PR firm willing to represent God, I'll be the most surprised man in the UK! We sometimes have to look after some dodgy clients, but if half of what the Bible says is true, then God is not a person I would ever want to handle. Take your husiness elsewhere

and stay elsewhere."

There was another silence.
"Don't mention this in your column, will you?" said Adrian. "If it got around that I was letting morality govern my conduct, I'd never live it.

"Promise," I said

## The stock market and its manifest absurdities

THE INDEPENDENT - MONDAY 23 SEPTEMBER 1996

A respected manager of pensinn funds in the city says that stock markets in this country and in the US may be displaying the most serious over-valuation of

assets this century.

So Tony Dye, the professional investor who holds this view, arranges the £51bn he manages in cautious fashion.

Only 64 per cent of the assets for which he is responsible are for which he is responsible are held in equities compared with 80 per cent normally: 14 per cent of his pension funds are in cash. This is what you do in the stock market when you expect a fierce storm to

If there were to be a hig crash it would be more serious than at any time since the war. because private investors on both sides of the Atlantic have more at stake than used to he the case. In Britain successive privatisations of state-owned companies have increased the number of private investors.
The move to portable pension funds has had the same effect; these may be managed pro-fessionally but they feel more personal than membership of a company pension scheme. Likewise, savers have put sub-stantial sums into unit trust stantial sums into unit trusts stantial sums into unit trusts in recent years. Thus a sharp decline in stock market prices would make many people poorer and would have the same dampening effect on consumer confidence as a decline in house prices.

A crash would also have political consequences. It would make it almost impossihle for the Conservatives to persuade the electorate that they had managed the econ-

omy well.

Markels collapse either to correct a great absurdity or to register a great shock. At a certain point in the late Eighties house prices hegan to appear absurdly high in relation to average salaries; people used to look at the valuation of their own homes and say that they were glad they had bought them some years earlier hecause they could not have afforded them today. That was absurd and eventually prices declined. And in all markets, whether of pictures, metals, gold, houses or shares, there is a mechanism which produces periodic over-valuation or under-valuation. Greed makes people huy because prices have fallen and for no other reason. At the top or the hottom, some news event lurns away the last optimist or the last pessimist and the correction begins. In stock markets this signal is classically a change in interest rates. This is why professional investors are watching the Federal Reserve Bank in New York so intently, later this week it may push up interest rates for the first time after a long decline.

Under the heading of great shocks come such events as outbreaks of war - the Vietnam War, for instance, ended a 20-year period in which all foreign exchange rates money he controls rather unhappy.



Whittam Smith

A minor correction is probable. But should one be hoarding food in one's garage?

had been ticd to the dollar or wild swings in commodity prices such as oil, or natural disasters. The Kohc earthquake left a dent in Japanese

reversed. But some-

thing is about to happen that will effect us and our children in per-

about to seize control of the

entire future of broadcasting,

impenetrably complex new tech-

nology, has kept the public in

and Conservatives, Rupert Mur-

doch is about to snatch control

of British television from under

our noses like the most brilliant

of master burglars. Armed with

every device to switch off alarms

and soothe the watchdogs, he is

pulling off the greatest broad-casting heist of all time. He is

within a whisker of controlling virtually everything - and the deed will be done by Christmas

unless we stop him now.

The trouble is that when any-

one tries to explain all this, it gives people hrainache. Explain-

ing it to you in comprehensible

terms will not be easy. The edi-tor of these pages said glumly, "Oh God, you're not going to use the word 'transponder', are

you?" I will try not to, so please

stay the course - this is vitally

important. Here we go: In October 1997 BSKyB will

launch its new digital service.

Those who buy a new box to sit

on top of their television sets (price around £200) will gain

access to some 150 channels.

What's more, they will get inter-

active services so they can shop,

bank, call up films or archive

programmes, book tickets or

join in game shows. Television

will never be the same again.

Any Luddites out there who

may bleat, "But why do we want this stuff, haven't we got enough

already?" will go the way of those who doubted we needed

colour TV. We may not need all

this but we are going to get it and

when we have got it we won't be

able to do without it. That is the

ineluctable nature of progress.

And this is not in some far dis-

tant future. This is next year.

share prices.

I do not see a manifest absurdity in share valuations either in London or New York Certainly there has been a long rise in share prices in both market-places and ratings are high. A minor correction is probable.

But on the primary test of what returns do shares prowhat returns do shares provide?" there is nothing untoward. The average dividend on UK stocks is 3.75 per cent; and if companies were in distribute to their shareholders all their crefts and clean all their profits and plough nothing back, then this return would rise to 6 per cent. In the context of a growing company and subdued inflation, there is optimism here but no danger signal, no amher or red lights

flashing.
The pessimists, however, have heen examining a much more sophisticated valuation system, and its results scare them. It is called Tohin's "q" and it compares what it would cost today to replace companies' stock market valuation. On this hasis, looking right back to 1920, stock market ratings have hardly ever

been higher. In other words, investors are valuing factories much more expensively on the stock exchange than it actually costs lo erect them. Physical assets are no longer

much of a guide. Successful companies are often people and computer screens; and their value may he in their hrand names. It would he impossible to calculate Microsoft's replacement value.

Mr Dye is 48 and says that anyone over 40, having been through several stock market cycles, has to be pretty cautious ahout what is going on. If Mr Dye were ten years older still, he would have been through the only hig stock market crash this country has experienced since the war. Between the summer of 1973 and the winter of 1974, the stock market fell all the way back to levels last seen in: the Thirties. The least of the causes was the correction of a previous over-valuation. Much more serious were external shocks such as a doubling of the price of oil, a banking crisis and the return of a Labour government that legislated to hold down prices and

Many hoards of directors thought their companies were on the way to hankruptcy. There were crippling strikes and hints of civil unrest in the air. In the City there was gallows humour, should one be hoarding tinned food in one's garage? That was a real bear market. Today's concerns, with or without Tobin's "q" are minor by comparison. All of which may yet leave Mr Dye exceedingly embarrassed and the pensioners whose

# Stop Murdoch now or forget it

By Polly Toynbee



#### Unless he is tackled within months, the monster created by the main parties will snatch total control of British television

Murdoch is, as ever, two or three years ahead of everyone else. He has already called for manufacturers to make his magic digital boxes. By next year, within months, they will start rolling off production lines - aiming to supply at least 30 per cent of the population

within five years. Once a huge number of households have the Murdoch box, receiving all Sky's digital services, plus the usual terrestrial channels 1-5, it is thought by market analysts extremely unlikely that many people will want to buy a second incompatible box with which to receive a competing set of digital services on terrestrial television including whatever BBC, ITV and Channel 4 also want to offer. It would be hard to raise investment cap-

BBC and ITV channels 1-5 - cost of running the system. have no choice but to compete . in this new digital world or they in which to stop this. But it will risk eventual obliteration. requires public outcry and the But, unless immediate action is taken, the only way BBC and ITV will be able to enter it is on bended knee to Murdoch, at his mercy. He will control how much space and on what channels the terrestrials can enter his digital box BBC1 could be on channel 322 if he chooses.

Most important of all, he can tix the price he charges ITV or the BBC. Oftel is there to regulate fair trading, as laid down by an EU directive, but what "fair" means is exceedingly flexible. It There is still a month or two

shaming of our politicians who are all contaminated by what they have done so far. Fear of Murdoch's power to sway the voters in the run-up to the election through the pages of The Times, The Sunday Times, The Sun and the News of the World has rendered both parties silently acquiescent. Murdoch is a monster created entirely by the Baron Frankensteins of the main political parties. Pusillanimous and self-interested, they have allowed him monopolistic con-

trol of a colossal slice of our media to the serious detriment of democracy and the quality of journalism. Now they are about to hand him the biggest prize of all. His acquisition of the newspapers has made sure he can silence all opposition as he snatches these ultimate crown

How can he be stopped? Murdoch owns the patent on the technology to his own digital system. He should be forced to franchise out that technology at a reasonable rate, so that other manufacturers, independent of Sky, can make a single hox to act as gateway to all services, just as one TV set receives all terrestrial channels. There is no doubt that consumers would want one box that will offer every service. This is fair trading. Never has the principle of preventing unfair monopoly been clearer.

But Murdoch is just about to sign contracts with manufacturers of his box. As soon as his ink is on the paper, there will be no going back. The manufacturers will hurry ahead to make his

boxes and the game will be over. None of this has happened by accident. When the Broadcasting Bill was going through Par-liament, Labour members on the standing committee agreed to prevent Murdoch getting total control. But when it came to the floor of the House, mysteriously this opposition had evaporated. They may make excuses about other slightly different amendments they preferred etc etc. But the harsh truth is that both particularly and the harsh truth is the harsh truth and the harsh truth is the harsh truth and the harsh truth is the harsh truth and ties let the hill pass without denying Murdoch his monopoly.

denying Murdoch his monopoly.

They will all murmur now that this is better dealt with in technical regulations laid down by the Department of Trade and Industry. Both parties nodded sagely and agreed this course of inaction. The DTI is consulting fully and widely. So fully and widely that, having promised its report by September, it has report by September, it has decided to consult again, produce another draft, consult on that too, and, if the timetable does not conveniently slip again, it may get into the Commons by November. But then it will be 40 days before it takes effect - by which time it will be academic. Murdoch will have signed his contracts and it will be too late. No one party, no one politi-

cian will be to blame. Conveniently they will all claim clean bands - or equally dirty ones. By the time the election is over, the future of broadcasting will have been in effect cast in concrete, so even if Labour were to win and to decide (unlikely) to challenge the Murdoch monopoly, it will be far too late.

CONTINUING OUR SERIES ON THE PEOPLE JOCKEYING FOR INFLUENCE AND STATUS IN THE LATE NINETIES

omorrow evening at 5pm at the Royal Opera House, Covent Garden, Lord Gummer, the new chairman of the board of directors, chairs his first monthly board

For John Gummer's younger brother, head of Shandwick. the world's higgest public relations company, it's all happen-ing at once: elevation to the peerage, the appointment to run the Tories' election campaign, an Observer profile by Lynn Barber ... but of all these proofs of power and esteem. the Covent Garden joh is the

The House's board has been seen as the pinnacle of the Establishment for as long as the term has been in circulation. David Mellor said, "I never believed the British Establishment existed until I became a minister and started going to dinner parties where I'd be lobbied about the Royal Opera House." Sir Claus Moser, the mathematician who became chairman in 1974, explained what it meant to enter what lain Macieod, in a different context, called the magic circle. Until I became Chairman of the Royal Opera House I had never, but never, met anybody royal: now I was emeriaining them month after month. When I was a frequent visitor to Covent Garden, or even on board, some people would ely speak to me. Yet literthe day after my appointas Chairman was

unced a very disting-

woman who had previ-

wife and me to spend

the weekend with them in Scotland. From that moment onwards I saw a totally new layer of British life ... That is the British Establishment."

In speculating about a putative new Establishment, one runs up against the fact that an Establishment is by its very nature old. Unless it is flushed from the national system by bloody revolution (a glorious one won't suffice), the Establishment cannot be supplanted: it can only be added to or subtracted from. And perhaps peculiarly in the British case, where the rul-

19 class has had 930 years to refine the arts of survival, it is much harder to marginalise than people fondly imagine. It has, for example, a genius for co-opting those who might prove inimical to it. "The Establishment ... has never been exclusive," AJP Taylor wrote in the New Statesman in 1953, "rather drawing in from recruits from outside, as soon as they are ready to conform to its standards and become respectable. There is nothing more agreeable in life than to make peace with the Establishment - and nothing more

corrupting." The composition of the board of directors of the House over the past 17 years shows the Establishment's genius for adapting to survive. In 1979, when Sir Claus was still chairman, there was a handful of classic English figures on the board, such as Lord (Mark) Bonham Carter, grandson of the prime minister Asquith. t me dead, rang up, to and son of the "divine" Lady Violet Bonham Carter, who



THE NEW ESTABLISHMENT Day six:

## The Royal Opera House

Of all proofs of power and esteem, the chairmanship of Covent Garden is the most potent. By Peter Popham

was ubiquitous among the great and good for decades. But such men were more than balanced by brilliant Jewish émigrés: Sir Claus himself, the philosopher Sir Isaiah Berlin, the hanker and Labour peer Lord Kissin, and the master operator of the age, Lord Goodman, chairman of the Arts Council and Wilsonian troubleshooter.

By the mid-Eighties, the Jewish intelligentsia was on the way ont and the proportion of Thatcherite corporate meritocrats was climbing; a fly on the wall would have had a duller time of it as the age of the new philistines unfolded.

But if the husinessmen brought superior numbercrunching skills to the top table, it is doubtful whether the underlying élitist assumptions within Covent Garden about the vital role of moustrously expensive, vastly subsidised opera for the cultural health of the nation were modified at all. The Establishment ethos

Spooling forward to the pre-sent, one finds a board that has never regained the intellectual wealth jettisoned in the Eighties - today, Bamber Gascoigne
is about as brainy as it gets. The
most splashily political director
is undoubtedly Bob Gavron (pictured above), who was wheeled out by the Labnur Party last weekend when he announced his gift of £500,000, saying, "the days when the Tories were automatically the party of business are over."

Gavron, a barrister turned millionaire printing magnate who claims to have supported Labour all his life, is the perfect use to Tony Blair.

example of new Labour and old Establishment meeting and

He has the robust acceptance of Thatcher's achieve-ments-"When Thatcher came in she did what Labour should have done," he says – but his thoroughly wet, paternalistic view of political obligation could have come from the lips of any of the wets whom Thatcher ousted: "The Government's priority," he says, "should be to look after the people who can't look after themselves."

Whether defined by birth, brains or money, the House's board still represents a rarefied collection of people. There's only one exception: Chris Lowe, headmaster of a comprehensive school in Peterborough, who roars with laugh-ter at the thought that he is de facto a member of the Estab-

An opera nut whn discovered his passion while doing National Service in Germany, and who has been infusing his students with it ever since, board in 1992, in a democratising spasm, to work for the House's increased accessibility. Thus not only is he a genuinely new sort of voice in the place, but his mission is new, as well.

In politics, however, it turns out that Chris Lowe is the ultimate floater. "I have absolutely no political affiliation," he says. "I've voted for all three of them in my time." Lowe may be the authentically new face of the Establishment - but he will be of precious little

She has no-one to
turn to but you.
Don't let her down.
bont let her down.
For Nziku, life is harsh. Freil and alone, she recently had to give up her work because of failing health. With no family to look after her, and no money. Nziku can't afford the medicines she needs, or even a proper meal.  Yet, for just over \$2 a week, you can change all this. By sponsoring someone like Nziku, you can buy her the basics of life, such as food, medicine and clothing.
What's more, your money will support other vital projects to improve his for entire communities.  To find out more, one the coupon now and post to: Mrs Helen Higgs, Adopt a Granny, Help the Aged, FREEPOST, London ECLE 157.
Yes, I'm interested in sponsoring an elderly person. Please tell me what I can do.
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Address
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Send to: Mrs Helen Hisgs.  Adopt a Granny, Help the Aged, PREEPOST, London ECI 2 Lev. Help the Aged
PREEFOST, London 2012 Lev. Help the Aged  Or phone  Or phone  Adopt a Granny  Proceed Partie to 27278

## James Gulliver

James Gerald Gulliver was an outstanding entrepreneur. He built three businesses and made himself many millions in the process before in 1985 launching the hid for the drinks company Distillers which, for most people, became the defining is-sue of his life.

He was a man of great ability. Born in 1930 in Cambeltown, Strathclyde, he studied at Glasgow University where he was awarded a First class honours degree in Mathematics and Engineering together with a gold medal. His former tutor Professor Hugh Sutherland described him as one of the most outstanding pupils he had

At the time, the £1.9 billion hid for Distillers by Gulliver's company Argyli was the biggest ever in British history. Distillers was the central pillar of the Scottish commercial establishment and Gulliver tracked it for two years before launching his attack. His analysis revealed that it was both undervalued and very poorly

Eventually Gulliver lost Distillers to Guinness, who engaged in wholesale cheating for which three people went to prison. Gulliver died believing that some of the most guilty people had escaped unpunishe

Subsequently great reputations were forged on the anvil of Gulliver's brilliance in isolating what is still regarded by many in the City as the deal of

the century.
The Distillers hid motivated him for many reasons. It had scale, status and vast potential for profit hut, most of all, Distillers was Scottish.

Gulliver had an amhition which ranked high alongside his desire to produce value for Argyll's shareholders and that was to build an energetic world-class company in Edinburgh. By creating such a centre of energy.

he helieved that he would be able to play an important part in generating an intrastructure which would relieve talented people like himself of the need to seek their fortunes outside Scotland.

Despite all his previous achievements, Gulliver approached the Distillers bid with a caution which reflected his inner awe at his temerity in taking on such an icon of the Scottish establishment complete with its estates and lovalties forged over decades in country houses and on company-owned grouse moors.

For advice he turned to bankers who reinforced his pri-vate insecurities when they told him that he needed the support of an establishment industry figure if he was to succeed. Acting upon their advice, Gulliver permitted an approach to Lord Weinstock of GEC. It was a mistake which began a chain of events that eventually cost him Distillers.

Having put forward the suggestion that Weinstock should sponsor the transaction by taking a percentage, Gulliver was unable to obtain a formal response for some three weeks. He was told that Weinstock was at a music festival in Germany and could not be disturbed. In the meantime, the Distillers share price rose on rumours which leaked with usual City ferocity to a point at which Gulliver began to reconsider his position.

At that moment, he was approached by a journalist who asked him about the rumours. Using carefully selected words, and acting again on legal and other professional advice, Gulliver told the journalist it was not his "present intention to

Accurately, his advisers had told him that, on the basis of precedence, such a statement would put him in baulk for

three weeks. He was told that at the end of that time, he would be free to bid, having re-

evaluated his position, But the Takeover Panel took a different view and under the then Director General, Tim Barker, it imposed a three-month ban. During that enforced lacuna, Ernest Saunders of Guinness made his preparations and later launched the attack which eventually won.

The overall performance of the Takeover Panel during the hid badly dented Gulliver's regard for City self-regulation, As a man with a great regard for authority and tradition, he was discountenanced when, by co-incidence, Tim Barker left his job at the Panel the very weekend the three-month ban was lifted to join his old hank, Kleinwort Benson, who were Distiller's advisers.

Neither Gulliver nor anyone else cast doubt upon Barker's integrity but Guliver took the view that a system which al-lowed such things to happen could not be a good one. He also believed that the Panel refused to recognise the obvious manipulation of the Guinness share price when it was perfectly clear - and was drawn to the Panel's attention - that the share price was simply levitat-ing. He deemed it confirmation of his view that self-regulation had failed when it took Department of Trade inspectors to discover what had really been

going on. It may be that Gulliver had started to lose his appetite for business well before he launched his hid. Subsequently he became involved in a number of public company ventures but he could never again generate the enthusiasm required and they did not

His private ventures fared better. His Lords of the Manor Hotel in the Cotswolds, with its



Michelin star, is recognised as one of the finest country hotels in the UK, and his two farms at Pitlochie in the County of Fife are fanatically neat models of

But if Distillers was Gulliver's final big commercial part, his opening scene was Fine Fare, a subsidiary of Associated British Foods, which he joined following a short-service commission in the Royal Navy and four years with management consultants Urwick Orr. At Fine Fare he was ap-

pointed manager of a shopfiting subsidiary which he turned round with such brisk efficiency that he came to the attention of Associated British Food's ern supermarket retailing.

chairman Garfield Weston. Bringing his capacity for analysis and detail to bear, he became chairman of Fine Fare and worked closely with people such as Kenneth Gill of the advertising agents Garland, Compton to introduce mass media advertising. He also brought in information technology at an early stage. His introduction of scientific management techniques represented an innovation in retailing management at Fine Fare which was complemented by Jack Cohen's seat-of-the-pants ap-

proach at Tesco. Together these

two very different men laid

down the ground rules for mod-

UK's top three supermarket operators. He parted company with Weston in 1972 because he felt that his contribution was not properly rewarded and that Fine Fare did not give him scope for his talents. That year he was given The Guardian Young Businessman of the Year Award for his work at Fine Fare. It was the accolade of which he was most proud. It was then, aged 42, that he joined with Alistair Grant, aged 36, who he had recruited at Fine

Gulliver spent seven years

with Fine Fare, turning the ail-

ing business into one of the

Fare to handle marketing, and David Webster, aged 28, a quiet hut innovative merchant hanker. With Gulliver autocratically in the lead, the trio of Scots bought Oriel Foods, a small edible oil processor. Together they lifted sales ten-fold to £140 million and sold out two years later to RCA of America for £11 million, netting Gulliv-

er his first £1 million. In 1977, he set up James Gulliver Associates in offices at the advertising agents Saatchi & Saatchi which were loaned through his old friend from the Fine Fare days, Kenneth Gill, who was then the Saatchi chairman.

James Gulliver Associates became a kindergarten for a number of successful entrepreneurs. Among them Philip Jefferies was an early personal assistant to Gulliver. Jefferies went on to make a substantial fortune by rationalising large chunks of the UK paint industry and through the Fads decorating business. He says that Gulliver taught him more about business than anyone he had ever met

Derek Hunt, who founded MFI, and Louis Sherwood of HTV passed through, but when Gulliver moved on, Martin Sorrell, an original Associate, stayed with Saatchi as finance director and then went on to build his tiny company WPP into the world's largest adver-

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tising group.

The City soon sat up, and began to take notice of this very unusual and fast-moving entrepreneur. In short order Gulliver and his team acquired 21 companies, including Oriel Foods which he had bought back from RCA, and the Louis C. Edwards meat business in Manchester, bought at a bargain price and carrying with it a 16 per cent interest stake in Manchester United together with a role as vice president of the Club. That stake was sold in 1986 but Gulliver, who had become an ardent Manchester United fan, held on to the privilege of two seats in the Directors' box for his personal use.

In 1982 when Sir James Goldsmith withdrew from the British market, Gulliver bought his Allied Supplies grocery chain for £104 million. He then merged Allied with the ADP distilling and off-licence company in a £250 million deal to

form the Argyll Group. He had the knack of being able to select brilliant young entrepreneurs to work for him. He drove them hard, working a sixday week and then starting at 9am on Sunday morning at his house in Hertfordshire on the details of the next acquisition.

One of his colleagues observed that most people think in terms of one per cent. Fewer think of half a per cent. Gulliver surprised his victims by asking for a quarter or even one eighth per cent discount and he almost always got it. That eye for detail stood him and his shareholders in good stead as Argyll's turnover rose towards

He had an irrepressible sense of fun. But, although irreverent in his approach to some aspects of life, he valued establishment recognition. His Glasgow gold

medal and his receot CVO were displayed in the drawing room of his fine manse in Edinburgh's Herriott Row.

spotlight tr

A man with many friends and a stanneh Tory throughout has life, he enjoyed the company of John Smith, the former Labour Leader of the Opposition. Once, at a party at Gulliver's house, Smith quietly pocketed the massive Glasgow gold medal which Gulliver displayed with such pride. He meant to replace it almost immediately but unfortunately in the melée, Gulliver didn't notice it had gone and Smith forgot to return t. It wasn't until the next day, in different parts of Edinburgh, that Gulliver walked into his drawing room to discover the medal had gone at the same mo-ment as John Smith realised with horror that he still had it in his jacket pocket. While Gul-liver was looking around for the medal, the telephone rang and he answered it to find Smith laughing on the other end. He used to carry Smith's subsequent letter of apology on House of Commons notepaper which he often showed people when telling the tale.

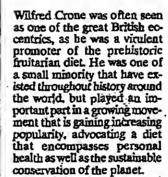
Although Distillers was a

blow from which Gulliver never recovered, the following year Argyll bought the UK arm of Safeway from its American parent for £691 million. Safeway and the birth of modern supermarket retailing is Gulliver's real commercial epitaph, not the loss of Distillers.

Brian Basham

James Gerald Gulliver, businessman: born Campbeltown, Strathclyde 17 August 1930; CVO 1996; married 1958 Margaret Joan Cormack (marriage dissolved; three sons, two daugh ters), 1977 Joanne Sims (mar-: riage dissolved), 1985 Margorie Moncrieff (marriage dissolved), 1993 Melanie Crossley, died Edinburgh 12 September 1996.

## Wilfred Crone



Greatly loved and respected by those who embrace the reasoning of such food choices, he was however also widely mocked by those whom he saw as ignorant of the full scientific and ethical basis of his chosen life-style.

He was raised in Newcastle, one of a family of 12 children with an alcoholic father; and his experiences of a violent background, alongside witnessing the ravages of terminal cancer in his father and amongst his siblings, gave rise to a strong conviction that a diet based oo death and the killing of animals had direct consequences on health and behaviour.

Aged 19, he set sail for Australia under a government scheme to relieve unemploy-

ment in the North-East. Here he witnessed further hardship and as a farm worker saw great cruelty to the animals. This helped his decision in 1948 to become a vegetarian and then to veganism (a diet that excludes all animal products such as meat, dairy products, fish, and

In the following years he hraced more fully what he termed "the Eden Diet" of fruitarianism where only raw fruits, nuts and seeds are eaten, which he felt was the ultimate compassionate diet; it does not even demand killing the plant for food. He chose not to conk his vegan fare, as heat destroys most of the enzymes, antioxidants and other vital lifegiving vitamins and hasic components of optimum nutrition.

Crone was a realist, though, and understood well human weaknesses. He always encouraged others not to take the diet too extremely and to include other vegan foods at times, especially at first, making changes very slowly. He himself ate in excess of 90 per cent raw fruits and nuts and for the last 15 years publicised the dict by distributing leaflets detailing his experiences and ideas, from

his home town of Christchurch and in the surrounding areas. In his later years he chose not to travel great distances, but much preferred only to use his hicycle that he continued to pedal until his death.

In the winter of 1991/92 he encouraged me, a young mother of two who had recently chosen a raw food vegan diet, to continue publicising fruitarianism and to relieve him of the responsibilities of this work. The resulting information network, Fruitarian and Raw Energy Support and Help (the Fresh Network), was able further to expand the publicity of a whole range of raw food diets and consequently to reach a far greater number of people. This gave him more time to spend with his friends and his treasured, highly productive garden

of fruit trees and husbes. He was never one to complain about the hardships of seeing those close to him suffer, age and die from diseases he felt were so easily preveotable through changes in diet. He kept his jovial sense of humour even though he was also often ridiculed for following what some termed as an extreme and dangerous diet - despite the scientific data he encouraged such .. critics to study.

ners Pari à Taur

the Constitution

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Time.

Opponents often claim that the fruitarian diet is nutrition. ally incomplete, and yet on. close scrutiny the standard nutritional tables show that raw fruits and vegetables contain allthe essential minerals, vitamins, proteins, essential fatty acids and carbohydrates needed even by growing children. Nutritional deficiencies tend to occur when people have an enzyme-depleted diet (mostenzymes are destroyed when food is cooked), or if their digestive system is weakened by a lifetime of inappropriate cooked foods. Gradual healing can take place if there is a slow increase in the proportion of mineral-rich raw vegetables and fruits in daily meals so that the body gently cleanses and repairs (this can take many years).

Wilfred Crone chose to remain a bachelor, as he once jokingly said, "in case a vegetarian wife should wish to revert to meat-eating, and a chap has toeat what his wife cooks!"

Susie Miller

Wilfred Crone, fruitarian: born 1909: died Christchurch, Dorset 17 August 1996.



sionate diet: Crone embraced "the Eden Diet" of fruitarianism, where only fruits, nuts and seeds are eaten

#### Joe Martin

history cao be crystallised by the moment he calmed an angry, weeping 12-year-old named Cassius Marcellus Clay in a basement boxing gym in Louisville, Keotucky, in

Clay had sheltered from the rain with his friend Johnny Willis at an annual hazaar run by and for the hlack community called the "Louisville Home Show" at the Colombia Auditorium. When he came out several hours later, with his helly full of free popcorn and hot dogs, he found his brand new red and white bike had been stolen. Wheo somebody told him the nearest policeman was in the basement he raced down to register the

In his mid-1970s autobiography The Greatest, Muhammad

Joe Martin's role in sporting Ali - as Clay had theo become - remembered: "The sights and the sounds and the smell of the boxing gym excited me so much that I almost forgot about the hike. There were about ten boxers, some hitting the speed hag, some in the ring sparring, some jumping rope. I stood there, smelling the sweat and the rubbing alcohol,

> form to join the boxing club, but the dressing-down he received from his father over the lost hike made him want to forget about the whole day. Only when he watched television the following weekend and saw Mar-tin again, working the corner of his amateurs on a show called Tomorrow's Champions did he decide that boxing would be his

> and a feeling of awe came over He left with an application

To Martin, who had run his gym since 1938, he was just another kid off the street who needed to learn the basic moves. Martin was more social worker than boxing technician. He loved taking kids, black and white, off the streets and giving them a purpose to each day. But his ability as a coach was limited. "Martin knew a little," said

Ali, "He could show me how to place my feet and how to throw a right cross. But he knew very little else." The teenager stayed with Martin because appearances on Tomorrow's Champions paid \$4 a fight - what price the amateur code! Nevertheless, he knew he needed more than the well-meaning policeman could give him.

Against strict instructions. he also worked at a gym run in the poor east end of Louisville by ao old black trainer named Fred Stoner. And it was Stooer who taught him the techniques he needed to learn to look after himself. After spending two hours at Martin's club he would walk over to join Stoner, whose gym was opeo every night from eight until mid-

Martin remained an influential and genuioely caring figure. When the boy's fear of tlying made him want to withdraw from the Rome Olympic Games in 1960, where he went on to win the light-heavyweight gold medal, it was Martin who spent more than two hours in Louisville's Central Park persuading him to conquer the doubts and catch the plane.

It was as Clay ocared his inevitable switch to the professional ranks that the relationship disintegrated. Martin once

knocked on the door of the family home with a managerial contract. But Clay's father, Cassius Snr. angrily turned him away when he read that the deal would pay only \$75 a week for 10 years. Allegedly, he shouted at Martin: "The slave trade is over!"

Then Martin attempted to belp a local millionaire, William Reynolds, sign him. This time Clay Snr was in favour, simply because it was the best offer on the table.

When the new gold medallist returned to the United States, Martin met him at New York airport with a Reynolds employee, who settled them in the husiness tycoon's permanent suite in the Waldorf-Astoria. Clay was shown around New York, taken shopping and fed as much as he could eat. He had already been working as a mem-

ber of Reynolds' household staff, and yet when it came to signing an the dotted line the 18-year-old followed his gut reaction and refused.

Instead he signed - for slightless money - with a group of 11 white Louisville millionaires. Then he took on the services of a Miami trainer, Angelo Dundee, and Joe Martin was out of the picture for ever. Nevertheless, his place in the story of one of the greatest athletes in sporting history was se-cure. In 1977, Martin, a police officer for 34 years, was in-ducted into the Amateur Boxing Hall of Fame.

Joe Elsby Martin, police officer and amateur boxing coach: born 1916; married (one son); died Louisville, Kentucky 18 September 1996.



Caring: Martin coaches young Tanzanians

Photograph: Hulton Getty

#### BIRTHS

LYNCH: Michael and Joanna (see Waterfield) proudly amounce the ar-rival of a beautiful son, Patrick James, on 18 September 1996, at Glasgow lovel Maternity Hospital, Rottenrow

#### DEATHS

TURCAN: Patrick Watson, much loved husband of the late Barbara Turcan and father of Johanna, peacefully at home on 20 September 1996, Service of thanksgiving at Abdie and Dunbog Parish Church at 13 Joan on Thurs-day 26 September. No flowers but do-antions, if desired, to St Columba's Columba's Desired, to St Columba's and Desired Long Reportal Hospice, Challenger Lodge, Boswell Road, Edinburgh, EH5 3RW.

ests for Gazette AIRTHS. MARRIAGES & OEATHS (Births, Adoptions, Marriages, Deaths, Memo-rial services, Wedding amiversaries, In

# Births, Marriages & Deaths

Memoriam) should be sent in writing to the Ganette Editor, The Independent, I Causda Square, Canary Wharf, Lon-don E14 5DL, telephoned to 0171-293 2011 (24-hour answering machine 0171-293 2012) or faxed to 0171-293 2010, and are charged at £6.50 a line (VAT extra). OTHER Gazette anents (notices, functions, Forth nonnecements induces, macrosses, rotu-coming maryiages, Marriages) must be submitted in writing [or faxed] and are charged at £10 a line, VAT extra. They should be accompanied by a daytime

#### Birthdays

Mr Toby Bulding, racehorse trainer, 60, Mr Ray Charles, drythm and bines singer, 66; Miss Charlotte Cory, novelist, 40; Baroness David, Iomer government Whip, 83; Sir Basil Feldman, chairman, Better Business Opportunities, 70; Mr James Guinness. porumutes, 70; Mr James Guinness, former deputy chairman, Guinness Peat, 72; Mr Julio Iglesias, musician, 53; Mr Richard Lambert, Editor, Financial Times, 52; Sir Gordon Linacre, mesiden, V. Jahr. Linare, president, Yorkshire Post Newspapers, 76; Dr Brian Lloyd, chairman of directors, Oxford Gallery, 76; Mrs Genista McIntosh, executive director, Royal National Theatre, 50; The Right Rev Michael Manktelow, former Bishop of Basingstoke, 69; Mr Larry Mize, golfer, 38; Mr Mickey Rooney, film actor,

76: Mr Bruce Springsteen, singer and songwriter, 47: Mr Jeff Squire, rug-by footballer, 45; Admiral Sir John cher, 72; Mr John Wilkinson MP, 56; Mr Nicholas Witchell, Ielevision

Anniversaries Births: Euripides, Greek playwright, 480 BC: Gains Octavius, Augustus Caesar, first Roman Emperor. 63 BC: Jeremy Collier, clergyman and historian, 1650; Ferdinand VI, King of Spain, 1713; Peter von Cornelius, painter, 1783; Karl Theodor Korner, poet, playwright and patriot, 1791; Charles-Leon Francois Kreutzer. critic and composer, 1817; Armand-Hippohne Louis Fizeau, physicist. 1819; Leopold Alexander Zellner,

composer, editor and author, 1823; William Archer, dramatic critic and playwright, 1856; Mary Elizabeth Coleridge, novelist and poet, 186t; Emma Magdalena Rosalia Marie Josepha Barbara, Baroness Orczy, novelist, 1865; John, Baron Boyd Orr, mutritionist, 1880; Walter Lippman, journalist and author, 1889; Paul Delvaux painter, 1897. Deaths: Nicholas-Francois Mansart, architect, 1666; Robert Dodsky, poet, publisher and bookseller, founder of the Annual Register, 1764; Richard Parkes Bonington, landscape painter, 1828; Prosper Merimee, novelist, 1870; Urbain Jean-Joseph Leverrier, asfronomer, 1877; Thomas Webster, figure painter, 1886; William Willde

, novelist, 1889; Eliza Cook,

poet, 1889; Ivar Andreas Aasen,

philologist, 1896; Julius Adam, painter, 1913; John Mortey, first Viscount Morley, statesman, 1923; Sigmund Freud, psychoanalyst, 1939; Elinor Glyn, novelist, 1943; Pablo Neruda (Neftali Ricardo Reyes), Chilean poet, 1973. On this day: the Greeks descated the Persians at the Battle of Salamis, 480 BC; the Lanns were defeated by the Yorkists at Blureheath, 1459; the Battle of Worcester was won by Prince Rupert, 1642; Mantrose was defeated by David Leslie at the Battle of Philiphaugh, 1645; the British under Wellesley defeated Scindia and the Rajah of Berar at Assaye, 1803; the New York Daily Sun newspaper ap-peared for the first time, 1833; Jotiann Gottfried Galle discovered the

gallantry: the George Cross and the George Medal, were instituted, 1940; General Juan Peron was re-elected as president of Argentina, 1973. To-day is the Yom Kippur (the Day of Atonement) and the Feast Day of St Adamean or Eunan of tona and Saints Andrew, John, Peter and

#### C. d'O. Gowan

A service of thanksgiving for the life of Christopher Gowan will be held on Friday 1st November in Etnn College Chapel at 2.45pm. All

#### Lectures

planet Neptune, 1846; two awards for Exeter University: Dr George A.

Wilkins, "The Discovery of Neptune? and Other Planets, 1846-1996 5.15pm. Victoria and Albert Museu Sudeshna Guha, "The British Peri-

ROYAL ENGAGEMENTS The Princess Royal, President, Animal Health Trust, opens the new and re-equipped quarry for John Fyfe pic, Dan-

## Changing of the Guard

od in India F. 2.30pm.

The Household Cavalry Mounted R muni mounts the Oueun's Life Guar band provided by the G

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## Spotlight turns on to second liners as the City awaits a retreat

With blue chips hovering around their best levels and the around their best levels and the Footsie surely on the verge of topping the magic 4,000 points, the cries for investment caution are growing louder.

Even Richard Jeffrey, of Charterhouse Tilney, who has

Charterhouse Tilney, who bas been advocating 4,000 for some time, reckons the stock market is oow looking fully valued.

He says: "While this does not rule out further progress this year, we believe that higher ground will be hard to

Commence of the second second

Arran Russian

And a raft of leading strate-gists take the view the market has peaked and will fall in the remaining months of the year.

pointedly reiterated its 3,700 the policy of the PDFM year-end forecast and said investment chief.

Clients should sell into In his latest oewsletter he

strength.
ABN Amro Hoare Govett is also on 3,700 and UBS is shooting for 3,800. Goldman Sachs expects Footsie to fluctuate in a 3,650-3,950 range for the rest of the year. Such views may bring some

comfort to arch bear, Tony Dye, fund manager at PDFM. He has already unsettled his clients by banking on cash rather than equities and missed the bull market.

But to make the Dye philosophy plausible and - more importantly - rewarding, a They are either prepared to Few experts are prepared to dramatic retreat is necessary. ignore the possibility of the talk in terms of a pending traditional Christmas rally or foresee a sharp decline and which could mean a modest

again warns that the next big

share move is down. "Many long-running historical trends continue to seed a very clear message - that the UK stock market is at or very close to its high point for a bull market," he declares.

But, hedging his bets, he adds: "As most investors know, history also teaches that the market doesn't always play by our rules. "The fact the odds favour a

down-move does oot guaran-tee ooe will occur... the favourite does not always win at the races." Oue of the influences Mr Schwartz cites for his bearishness is the "five-quarters



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STOCK MARKET WEEK

DEREK PAIN

Stock market reporter of the year

only 12 gains which ran for five quarters or more. Mr Schwartz observes: "As far as this indicator is concerned, history is signalling



very low odds of further rises occurring in the oear future." After each of the 12 gains, shares disappointed for at least the oext nine months.

He points to the rally which followed Britain's ERM retreat four years ago. When, after five heady quarters, shares ran out of steam, prices fell sharply for a time and theo experienced a weak nine-Should blue chips give

ground, is there a case for index up to challer switching into second liners? peak," he says.

has not matched its peer index and is still 140 points from its

high.
At Panmure Gordon, strategist Ian Williams is pondering whether the so-called mid caps

can fight back. As the economy grows it should be positive for companies with high domestic exposure - and there are proportionately more ootside

So the move back to second liners, he concludes, could be the story for next year.

Allan Collins at stockbroker Redmayne Bentley is inclined to agree. "With profits now be-ing taken in the leaders, it may be that attention will switch to the mid-cap and take the 250 index up to challenge the

There are worries about the strength of the spirits market. Michelle Proud and Graeme Eadie at NatWest point out that for the past six half-year periods Guinness has showed performance.

He has suffered the addition in spirit profits.

a decline in spirit profits.

But they add: "We believe we are oow close to the point where we will see a change of direction, with spirits profits

upturn could occur in the second six months and feel "there is now potential to be surprised on the upside".

An advance "will trigger a spell of share price oot-performance much needed for to help finance his other a stock which has underperformed the market by 20 per cent over the past year".

Beinard Amanh, the French tycoon with more than 20 per cent of Guinness, is, no doubt, not the only shareholder

tional hit of adverse foreign exchange movements. There is a belief he would like to end. or at least dramatically curtail, his Guinness share involveturning back upwards."

They do not expect any change this week but suspect an origin lines, he could have an origin lines, opportunity to reduce his interest.

He has already placed one batch of shares and could be looking in the short term to cut business ambitions.

Others reporting this week include Inchespe, where

then festive joy from a lower base.  Last week, at a time Footsie was seriously challenging 4,000. NatWest Securities  Last week at a time Footsie was seriously challenging based at Stroud in Glouc estershire, seems in tune with	rule". The market looks like completing the remarkable achievement of moving higher for a record nine quarters in a	ering the next batch of shares has, so far, no after the 100 Footsie stocks, anxiety. This was had a splendid run in the first four mooths of the year, in the past two	eek's reporting rather sober 3 per cent ad- s crowded than vance. The dividend, however,	stage against £83.3m is ex- pected, and housebuilder Barrati Developments, with
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# <sup>18</sup> business

SINESS NEWS DESK: tel 0171-293 2636 fax 0171-293 2098

# Tour operators agree on package to escape MMC

TOM STEVENSON City Editor

The Office of Fair Trading is close to agreeing concessions from Britain's leading package tour operators that should allow them to escape a Monopolies and Mergers Commission reference into the holiday

Both Airtours and Thomson are understood to be prepared to sanction changes to the way they operate their travel agent package tour operators that

subsidiaries in order to avoid a further probe. According to a involved in the case, the OFT may be ready to issue its report by the end of this week or early next week.

It will be the second time in two years the Government has looked into the issues surrounding the "vertical integration" of the holiday business. The probe follows concerns over the ownership of leading chains of travel agents by the supply them with many of the holidays they sell.

In August 1994, the OFT concluded that there was vigorous competition between companies, and a wide range of pack-ages available, but it warned the industry that customers should be given impartial advice.

Last year the OFT made a commitment to follow up its 1994 investigation to see if the major companies had made the required efforts to inform customers of the links between

the companies that sold and those that supplied the holidays they were buying. It said it would check to see if consumer choice was being restricted by "directional selling" of one tour operator's product to the exclusion of other bolidays.

The OFT will focus on the practice of requiring customers to buy expensive insurance poli-cies in order to qualify for discounts on package holidays, reductions that smaller travel agents cannot afford to match.

to encourage them to sell inhouse holidays, and the own-ership link between the tour operators and travel agents.

Lunn Poly, which has about 800 shops and accounts for a quarter of the retail trade, is owned by Thomson, which sells 30 per cent of the UK's annual 8.5 million package holidays. The 700-strong Going Places chain is owned by Airtours. Also of concern to the OFT

The OFT will also look at is the power of large agents to bonus payments to counter staff demand higher rates of commission from outside tour operators in return for putting quently, the absence of an agreement is used as the pretext for not putting a rival operator's brochures on the shelves.

> Earlier this year First Choice, the third-largest tour operator, was in dispute with Lunn Poly for four months, during which time its brochures were excluded from Lunn Poly's shops.

are known to be extremely keen to avoid an MMC investigation. Thomson is owned by the Thomson Organisation of Canada which, as part of a drive to focus on its electronic information services, sold its UK newspaper interests recently and is understood to be looking at its options with regard to the holiday interests. A refer-

ence would complicate any sale or flotation. The issue of the OFT's report

Both Airtours and Thomson comes at the end of a volatile summer for the holiday companies. Last month Airtours said the better alignment of supply and demand this summer. meant it would scrap its brochures in order to increase prices on late-bookings.

Sources in the industry say the announcement backfired because customers put off buying the more expensive holidays and they had to be reduced again to prices below those prevailing be-fore the increase.

## Lloyd's pays £400,000 for hard work

NIC CICUTTI

Lloyd's of London yesterday defended the decision to award a £400,000 bonus to its chair-man, David Rowland, claiming the money was in recognition of his efforts to push through the insurance market's £3.2bn reconstruction package.

The award, agreed last week by Lloyd's appointments and compensation committee, comes on top of Mr Rowland's £450,000 salary package.

His bonus is one of several to be made to senior executives. Ron Sandler, chief executive at Lloyd's since the resignation of Peter Middleton last year, will receive £100,000 in addition to his £250,000 salary. Both awards will be paid by the market's cen-

The payments come as Lloyd's names face a £1.3bn cash call following a decision this month to accept the reconstruction package painstakingly negotiated over a two-year

Lloyd's is still chasing about 1,850 names who have not yet signed up to its rescue plan and



owe about £500m to the market. Plans to collect the money include the potential seizure of homes, possessions and bank

One name, who refused to be identified, said yesterday: "I think this is a disgrace. I have been nearly driven to suicide by continuing financial demands on me over the past few years. My family and I have lost almost all I have worked for in the past 30 years and this man, who is al-ready massively paid, is given this huge amount of money. I just don't know how they can get away with this."

However, a spokesman for Lloyd's said: "David Rowland was appointed chairman in 1993 and since that time he waived his right to any salary increase or bonus. In the past three years he has worked tremendously hard to put together the package needed to rescue Lloyd's. In all that time, he said he did not want to take anything out. This is not a decision he requested in any way."

It is understood that Mr Rowland's bonus package was agreed by the committee in recognition of his efforts. The committee includes Michael Deeny who was the chairman of fully fought Lloyd's for compensation on hehalf of its names, before he joined the insurer's ruling council.

Mr Deeny is believed to he receiving a fee from the action group worth about £500,000 in recognition of his own efforts.

Mr Deeny and other leaders of action groups were not being rewarded by Lloyd's itself. Several leaders had "success fees" written into contracts agreed with



Goodwill turns sour: Richard Giordano, chairman of British Gas, offered £300,000 to the GCC

## 'Whitehall farce' blocks gas funding

**CHRIS GODSMARK** 

Thousands of complaints about British Gas are going unan-swered because the Government has blocked extra funding offered by the company to enable the Gas Consumers Council to employ more staff. The council's director, Ian

However, the spokesman said

offered to pay the Gas Con-Council (GCC) £300,000 as a "goodwill gesture to fund another call centre and seven extra advisers after complaints about the company soared. But the Department of

Powe, warned of a crisis after it closed its London headquarters temporarily last week to cope with an accumulated mountain of complaints. He said that 400 unanswered calls were logged in

In May, Richard Giordano, British Gas privatisation, gets its Mr Powe met with the Confrom those who want to give it." money, most of which comes from British Gas, is raised by a levy on all licensed gas supply firms from the industry watchdog, Ofgas. A DTI spokeswoman admit-

ted technicalities in the legisla-Trade and Industry blocked the tion, which ministers had never cash injection on the grounds envisaged, meant the extra that the GCC's funding rules funds could not be passed on. "If this payment was made it prevented direct payments from would appear as if it was a reg-Under the present regime, ular contribution rather than just a one-off. We are looking the council, a statutory body set up to represent consumers after

at the situation," she said.

Taylor, last week, but no solution has been found. One suggestion is that the GCC could ask Ofgas to change its licence terms and conditions to allow for one-off payments, but the process would require long and complicated consultation with

the industry.

"It is Whitehall farce on an epic scale," said Mr Powe. "All those clever folk at the DTI and the Treasury cannot cut the red tape that separates thousands of people who need help

from British Gas's computer billing system, introduced earlier this year, which replaces 60 separate networks in 12 regions at a cost of £150m. The company has admitted it has problems with the system, which the GCC said had resulted in some customers having hundreds of pounds wrongly deb-

ited from their bank accounts. The GCC said the number of complaints it received increased by 170 per cent in July and by 99 per cent in August.

#### **Smugglers** evade £750m in taxes

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NIC CICUTTI

Smuggling of alcohol and to-bacco into the UK is costing the Exchequer more than £750m in lost taxes each year, at least 50 per cent more than earlier estimates, according to a survey from HM Customs & Excise.

UK brewers claimed vesterday that the figures, which con-trast with earlier estimates of about £500m, vindicated their long-running warning about the damage to their industry caused by smuggling.

A spokesman from Whit-

bread said: "The announcement by Customs & Excise comprehensively endorses [our] argument.

Since restrictions on cross-Channel imports were lifted in January 1993, illegal beer sales are growing at an accelerated rate year-on-year. The most logical conclusion would be to reduce excise duty by around 50 per cent."

However, a Customs & Excise spokesman said that, while large, the amount evaded still represented less than 5 per cent of the £18.6bn annual excise duty and VAT collected on alcohol and tobacco.

Customs believes that while the revenue evaded by smuggling is £770m, the actual loss will be less because a considerde part of this amount ditional consumption. It is unlikely that equivalent amounts would be bought in the

UK otherwise. Phillip Oppenheim, the Cus-toms Minister, pledged additional resources to plug the gaps in cross-border smuggling. Almost 300 staff are now employed to comhat smuggling from Europe.

The biggest source of evasion,

Customs investigators estimate, is hand-rolling tobacco, which costs the taxman £425m a year.

## IMF will sell gold reserves to reduce debt in Third World

DIANE COYLE Economics Editor

Plans to reduce the deht burden on the world's poorest countries will be given the formal go-ahead at next week's annual meeting of the International Monetary Fund in Washington.

The proposal to sell a small part of the IMF's gold reserves and reinvest the proceeds was nearly derailed by stuhborn German opposition. However, Michel Camdessus, the fund's managing director, announced last week that it would be able to finance its share of the debt

Senior officials believe the IMF can use alternative reserves for the next two years, after which it will sell a smaller part of its gold. The debt relief plan is the cul-

mination of two years of work, with Kenneth Clarke, Chanlarge part of the credit for putting the issue on the international agenda. The total reduction in deht

payments due from about 20 of the world's poorest countries will be worth about \$5.6bn at present values.

The Germans are thought to have hlocked the IMF gold sales proposals because of their fears that the Bundesbank would have come under pressure to sell some of its gold in order to belp Germany meet the deht and deficit criteria for the Single European Currency. Funding for the package will

split between the World Bank, the IMF and the Paris Club, the group of national governments which have lent to developing countries. All three have now

agreed in principle to the plan.
Poor countries will benefit to varying degrees. Uganda, Cote D'Ivoire, Nicaragua, Ethiopia

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cellor of the Exchequer, due a and Niger - with fund-approved economic programmes hut such a heavy deht burden that they could never hope to escape it are among the countries likely

> form of extensions in the term over which they must repay debt or reductions in interest rates. They must also show a record of sticking to economic policies approved by the IMF. A senior UK official admitted the plan did not go far enough, but said: "It provides

> a mechanism for putting some poor countries in a sustainable position. Next week's annual IMF and World Bank meeting will also see the formal acceptance of the fund's post-Mexico "arrange-

ment to borrow", the emergency

financing to be provided by in-

creasingly important countries

such as Korea, Singapore and

progress on areas such as the co-ordination of international financial regulation and money laundering.

There will be a preliminary discussion about an issue of Speto qualify.
The relief will mostly take the

British Gas.

cial Drawing Rights, the IMF currency, to members who joined after their last issue in 1981. A disagreement between developing and industrial countries about the terms of an issue of SDRs led to an embarrassing row at the annual meeting two years ago. The tension in what promises

to be an unusually constructive event is likely to come in the meeting of G7 finance ministers. European officials expect the US to call for lower European The US Federal Reserve's policy committee meets on Tuesday. Analysts think there is

a good chance it might vote to

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raise US interest rates.

## End compulsory tenders, says BSA

CHRIS GODSMARK

The association representing leading business services companies has urged an end to the Government's policy of compulsory competitive tendering for local council contracts because it claims many authorities are biased against the pri-

In evidence to be submitted today to the Nolan inquiry into conduct in local government, the Business Services Association, whose members include Rentokil and caterers Gardner Merchant, will claim some companies operate unofficial blacklists of as many as half the

councils in England and Wales. Local authorities are required by law to put out services such as rubbish collection, catering, cleaning, security and buildings management to com-petitive tender. The association estimated the total value of the work involved was more

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Close Week's elig Year Age

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than £10bn. However, the process has been criticised as wasteful and hureaucratic. Some services had been out out to tender two or three times, vet in many cases councils had failed to select private compa-

nies to do the work. The association's director general, Norman Rose, said: "It time rather more consideration was given to the needs of the council taxpayer and a little less to protecting inefficient local authorities."

He said that in one case a London council had been unable to find a single outside hidder for a service because private sector companies had given up tendering with the authority.
"At best some of their prac

tices are misguided and mis-placed. At worst they are dishonest, withholding information from bidders and sharing a determination that work will not go outside come what may," Mr Rose said.

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ard Issue Monthly	£1,000	4.98%	5.10%	3.98%
th Issue Yearly	£1,000	4.60%		
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GDP Miracles of that

sort do not happen'

## Strong-pound Labour and weak-pound Tories

lony Blair is breaking with old conventions in more ways than he imag-ines. If he wins the next election, Labour's economic policies may unwittingly ause a marked overvaluation of the pound in the early years of office, damaging Britain's industrial base. Conversely, if Kenneth Clarke's pre-election binge helps secure a Conservative victory, the pound may well fall, inflicting an inflationary blow.

These topsy-turvy outcomes are not cast in stone. Never the less, the story of strong-pound Labour and weak-pound Tories is possessed of a compelling logic.
Consider, first, the likely economic lega-

y next spring, the most probable date of the election. The economy may well be suffer-ing two forms of imbalance. The Conservatives' pre-election bid for growth may have left a monetary excess. Even more prob-lemade, the government would be faced with an outsized structural budget deficit.

The extent of the monetary problem depends on several things: the growth of broad money supply, the pace of increase in house prices - a major influence on household thrift and Mr Clarke's willingness to raise interest rates ahead of the election. On every count, there are reasons for concern.

Banks' balance sheets are strong, giving a natural uplift to money creation. The buildup of excess money deposits held by households is feeding a mini-boom in the housing market, with prices advances running shead of mainstream forecasts. Windfall cash sums received from conversions and mergers of building societies might further support con-sumer demand. And while Mr Clarke might sanction a small rise in base rates, monetary policy is likely to stay permissive.

The risk, then, is of economic growth run-

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ning to 4 per cent or more next year, with consumer demand rising by 5 or 6 per cent well into overheating territory. Ironically, a boom of this sort, generative of lots of tax revenue, could create the impression that the budget deficit was coming under control. Mr Clarke might then be tempted to stoke the fire by granting bigger tax cuts this November.

But even without the pre-election relaxion.

ation, Britain's structural deficit is already too large. Two long-term developments are to blame: the Conservatives' failure to control public spending and, in the 1980s, their over-generous tax reductions. Since 1979, public spending in real terms has grown at an average rate of 1.75 per cent a year - only fractionally below the growth of the gross do-mestic product. So much for rolling back the state. Alas, this was compounded in the 1980s by excessive lax reductions. Despite the huge staged increases announced in 1993, tax measures taken since 1979 have directly enlarged the budget deficit by over 2 per cent of GDP.

Mr Clarke would like us to believe he has stanched the haemorrhage. His plans for borrowing promise salvation. But they are based upon a wholly implausible assumption of public spending control, a deux or machina which drives a large, sustained wedge between pro-jected spending growth and the assumed growth of GDP. Miracles of that sort do not appen. The greater likelihood is that the structural budget deficit would run between 4 and 5 per cent of GDP without radical changes in spending programmes or hikes in taxation.

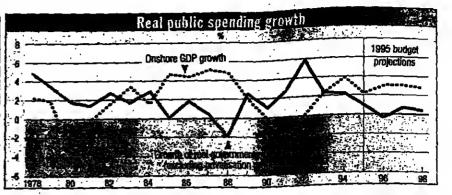
How would a Labour government re-spond to these challenges? Mr Blair plans to raise the country's rate of saving and investment in the hope of securing a higher trend rate of growth. But in office, the long-term vision would be severely challenged by the acute pressures of day-to-day government.

After so long in opposition, expectations would be running high. Yet the economy would be unbalanced and in need of tough treatment. A collision between Great Expectations and Hard Times would provide fertile ground for policy mistakes. Would Labour immediately seek to tackle the inherited budget imbalance?

It seems unlikely. A strong cyclical recovery or an over-optimistic assumption about trend growth may temporarily disguise the severity of the problem. But the choices facing the new chancellor would be unpalatable.

Take public spending. Labour wishes to raise the level of public sector investment, directly or in partnership with the private sector. That ambition would put even more onus on the control of current expenditure - a goal which has thoroughly eluded the present government. Meanwhile, public-sector workers, squeezed by the Conservatives and potential beneficiaries of a minimum wage, would be near the front of the queue demanding their New Deal.

Or take taxation. It seems improbable that Labour would immediately blight their chances of a second term by repeating the Conservative's tax-policy reversal of 1993. In so far as he has any explicit plans, the shadow chancellor. Gordon Brown's ambitions err towards lower taxes for the majority of taxpayers. He might consider raiding the corporate sector directly (by raising corporation tax) or indirectly (by



reducing the imputation rate for dividend tax credits). But this would only raise the cost of capital, reducing business's incentive to invest. A new Labour government's ability to tackle the budget deficit would therefore be highly constrained. A remaining Conservative administration, on the other hand, would be somewhat less shackled simply because much ess would be expected of it.

The reverse tendencies apply in the case of monetary policy. Faced with potential overheating, any incumbent chancellor would have to raise base rates. But Mr Brown would be in a stronger position. Like Niget Lawson in 1988 and 1989, Mr Clarke would be unwilling to admit the error of his ways and would

probably tighten policy in a dilatory fashion. Not so Mr Brown, who could happily blame I g years of Tory misrule for the inconvenience of higher base rates. As important, Mr Blair and Mr Brown have convinced themselves that

price stability would do wonders for Britain's trend rate of growth, for which Mr Brown would have an explicit target.

The scene could therefore be set during the early phase of a Labour government for a period of tight money combined with fundamentally slack fiscal policy. If so, sterling would probably appreciate. The government's need for finance would tend to drive up real interest rates and attent control as inflationary processors. and attract capital as inflationary pressures came under control. By contrast, Mr Clarke's greater reluciance to engage in timely monetary restraint and his concern for manufacturing would be likely to undermine the pound. Contrasting party attitudes to membership of EMU merely reinforce these conclusions.

Service-sector employees might therefore wish to vote Labour at the next election while job-challenged industrial workers vote Conser-vative. I think I shall avoid either temptation Bill Martin is chief economist at UBS

## City and industry deadlocked over fees

PETER RODGERS Financial Editor

An attempt by industry and the City to agree joint proposals to reduce the costs of rights issues and fight off a Government inquiry is foundering, despite substantial concessions offered by hig investment institutions. The institutions are trying to head off tough criticisms by the Office of Fair Trading, which

may recommend a reference of City fees to the Monopolies and Mergers Commission. As part of the campaign, pension fund and insurance industry representatives on a CBI working group have offered to encourage a move by merchant

writing fees, a lucrative source of income for the institutions. They have also said they will back companies that decide to cut their dividends when they make rights issues, which would further reduce the cost of new capital.

banks to reduce sub-under-

Because rights issues are sold at a discount, the normal practice of maintaining the dividend actually increases the cash distribution to shareholders, raising the cost of capital. This has led to sharp criticisms of conventional underwritteo rights issues, especially by US investment banks.

Despite the concessions, senior City and industry representatives in the working group - which includes John Mayo, finance director of Zeneca - are believed to have reached deadlock following a dispute over the closely related question of preemption rights. These give existing shareholders first call on oew shares in a rights issue.

Industry representatives have been pressing for an increase in the level at which companies can issue oew shares without permission from shareholders. from the current 5 per cent to at least 15 per cent.

The industry side believes a higher ceiling would reduce

the cost of capital to companies but institutions deny this claim.

Institutional sources believe that a compromise proposal, under which the pre-emption rights ceiling would be raised but a formula introduced to protect shareholders by controlling the discount on the rights issue, is likely to be completely un-

The National Association of Pensioo Funds and the Association of British Insurers, whose director general is Mark Boleat, have a total of four represeotanves on the CB1 group, which is an offshoot of the employers' companies committee. The institutions' willingness

to consider lower fees emerged after a meeting between the NAPF, the ABI and the London Investment Bankers Associatioo, which represents the bankers who organise rights

The bankers told the ABI and the NAPF that members planned to introduce increasing



Mark Boleat of the ABI: The trade body has told members

1.25 per cent charged for subunderwriting, regardless of the size of company or the amount of cash raised. The ABI has now told members to expect offers of lower fees.

Suggestions by investment banks include the introduction of tender offers for sub-un-

flexibility into the flat fees of derwriting so there would be competition on fees, and lower rates of commission than 1.25 per cent for parts of an

> The ABI has also pressed members to encourage finance directors to consider whether underwriting can be dropped for so long to ask for the price certain issues.

## Watchdog forces BT to postpone price cuts

CHRIS GODSMARK **Business Correspondent** 

The telephones watchdog, Oftel, is to issue an order this week forcing BT to postpooe plans to slash the price of its high-speed digital communications services after rivals claimed the cuts were anti-

However, the company yesterday insisted it would go through with the price reductions, due to start from today, threatening further confrontation with the regulator, Doo Cruickshank. A BT spokeswoman explained: "The cuts will have to go ahead from midnight on Sunday night because we physically can't stop them."

BT said it was "surprised and perplexed" by the announcement from Oftel, which was made in a letter from Mr Cruickshank, received at 6pm on Friday.

The company questioned why it had taken the regulator

new charges have already been advertised and some customers have been signed up on the basis that the price structure would

The price cuts were announced on 21 August, allowing a mooth for industry consultation. They reduce the initial ISDN connection charge for small businesses from £400 to £199, but raise annual lice rental from £336 to £520. in addition, customers would get a "hundle" of free calls worth £90 in the first two years and £210 in following years.

Oftel had previously beeo coocerned that the high cost of fees BT's digital ISDN systems, which allow extra services such as videotelephony to run down ordinary phone lines, was preventing a greater take-up by small and medium-sized

companies. But last night an Oftel spokesman confirmed that

regime to be postponed. The formal order requiring BT to postpone the reductions will be issued today or tomorrow.

The complaints came from rivals such as Mercury, which accesses smaller customers using BT's local telephone oetwork and a special button on the handset. Cable TV companies are also increasingly trying to gain a foothold in the lucrative ISDN market.

They had argued that a higher rental charge with cheaper calls risked pricing afternative suppliers out of the market. Indirect access operators make their profit on the call charges, out the connection

Mercury also feared that BT could move to a similar pricing policy for ordinary business phone calls when such services are excluded from price controls from August 1997.

If the cuts are cancelled completely, BT could face claims from new customers who have other operators had claimed the signed contracts based on the cuts were anti-competitive. The advertised reductions.

#### IN BRIEF

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Rates

 Spending with payment cards broke through the £7on barrier in August, up 27 per cent on the same month last year, according to figures from the Credit Card Research Group. Dehit card spending rose 37 per cent to £3hn, while credit card use was up 21 per cent to £4bn. However, CCRG said the heavy increase was partly caused by lower-than-expected card use in August last year. The highest growth in card use, up 41 per cent, was seen in the mixed business sector, including department stores and mail order firms. Sales of food and drink with debit or credit cards • Lloyds TSB Group may become one of the first British com-

panies to face a legal challenge to set up a European Works Council following the passing of yesterday's deadline from the European Union for voluntary agreements to establish such bodies, the banking staff union BIFU claimed. The challenge, from the white collar union affiliate organisation FIET, aims to bring Lloyds TSB into line with Barclays, Midland and NatWest banks. FIET said yesterday the challenge was likely to come from an affiliated union in Spain or Germany.

 Lottus Road, the company which owns Queens Park Rangers, the Past Division football team, and Wasps Rugby Football Club, is to seek a listing ou AIM, and intends to raise up to £25m to exploit further the commercial opportunities available from the ownership of its 19,000-seat London stadium. The nominated adviser and broker to the issue is Peel, Hunt & Company. QPR was relegated from the Premier Division last season.

• The Italian government has postponed a long-awaited national conference on unemployment, originally scheduled for later this week, after failing to strike an agreement with unions and employers on new labour contracts. The delay gives Prime Minister Process of the later has been processed in the later has been proc ter Romano Prodi's centre-left administration more time to work on the 1997 hudget, which is expected to be presented on Friday Carlo Azeglio Ciampi, the freasury Minister, wants to introduce a lough package, including cuts to health and pensions spending, to prepare Italy for the launch of the single European currency in 1999.

• Flexible labour markets are essential to maintain the UK's competitiveness and to eocourage job creation, the Institute of Directors has claimed in a research paper. The IoD argued that further European social employment legislation would only impose burdens on British employers. The research paper claimed that imposing the new Working Time Directive, restricting working hours to 48 a week, should not be imposed, while the Social Chapter opt-out should remain in place. The loD also claimed a national minimum wage would lead to loss of jobs.

A consortium led by NatWest Ventures has emerged as one of the favourite bidders for Pubmaster, the 1,600-strong pub chain owned by Brent Walker. The potential deal, worth about £165m, is being backed by Prudential Ventures, HSBC Holdings and Bank of Scotland, against rival bids from Barings Capital and CVC.

• Sainsbury, the supermarket chain, is believed to be considering adding a savings scheme to its Reward Card. The move, imitating its rival lesco, is aimed at boosting sales and loyalty from its 8.7 million weekly customers.

Detroit Diesel Corporation and VarityPerkins, a division of Warity, have ended their agreement whereby the US firm have the marketing rights for Perkins engines and parts in America. Detroit Diesel Corporation designs, manufacand sells heavy-duty diesel engines and related products. artis, based in Peterborough, has a network of 4,000 dealdistributors in 160 countries. The decision means the com-

# two RECs

MICHAEL HARRISON

PowerGen, the smallest of the three privatised electricity generators, is close to reaching agreements with two regional electricity companies to supply most of their needs when the market is opened to full competition in 1998.

term deals.

goes to the RECs, with the ranchise market.

decision to block PowerGen's takeover of Midlands Electricity, the generator has been working on a new strategy in readiness to compete in the domestic market from 1998.

contracts with individual RECs. it is considering marketing alliances with RECs and partnerships with new entrants. Last week National Power, its larger rival, forecast prices would drop significantly when the coalbacked contracts ended and the domestic electricity market was

## **PowerGen** to sign up

The generator has signed heads of agreement with the two RECs and hopes to seal threeto five-year supply contracts early next year. In total, Power-Gen is looking to sign up about five of the 12 RECs on to long-

At present, most of the electricity supplied to the RECs comes through the coal-backed contracts the generators signed with British Coal at the time of privatisation. These contracts, now largely taken over by RJB Mining, require the generators to huy 30 million tonnes of UK coal a year. RECs are then obliged to take the power generated from the coal to meer domestic demand in their areas. The contacts expire in April 1998.

Currently about three-quarters of PowerGen's output remaining quarter sold direct to large industrial and commercial customers. However, by the end of the decade, PowerGen expects that up to half the electricity it generates will be sold direct rather than through the

Following the Government's Apart from the long-term

# Opportunities

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turning existing hobbies or skills into peld work. Several thousand organisations have been researched and vetted over the test three years, feeving researched and vested over the age when years, seawing a reliable address list. None of these are 'get not quick schemes or multi-level marketing (MAM) organisations, but all offer a reasonable expection of earnings. These will vary dependent on pace and output, but at the start should work out at £3.50 per hour or equivalent.

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## science

## Clocking on to miracle' drug

John Emsley discusses the hyped but versatile melatonin molecule

Areport last week by the Institute of Management shows many executives to be overworked, under stress, and suffering symptoms such as are looking to melatorin to help them sleep, or cope with jet lag. Companies who make the drug report record demand.

Melatonin (chemical name: N-acetyl 5-methoxy-tryptamine) is a hormone produced by the pineal gland, a pea-sized organ at the centre of the brain. It regulates sleep by releasing melatonin molecules at night. in response to changes in light entering the eye. Levels of this chemical in the bloodstream peak in the small hours at around 80 parts per billion (ppb), and then decline slowly, falling sharply at dawn to 10 ppb. As we reach old age, our ability to produce melatonin decreases.

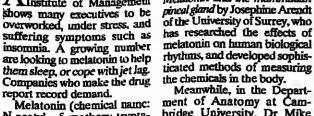
A 3 milligram capsule of melatonin is enough to raise the blood level quickly, and send you off to sleep in about five minutes. It can be bought from health food shops, although the Committee on the Safety of Medicines has now banned its sale as a non-prescription drug.
The European Pineal Soci-

Molecules

ety, while admitting that melatonin is useful in treating sleep disorders, has issued a warning: "There is insufficient scientific evidence for ... therapeutic uses in humans. There is no information on possible barmful long-term side effects. Melatonin may be dangerous if [its consumption is incorrectly timed and should not be taken witbout medical supervision."

In the US it is being touted as a cure-all, with claims that it can ward off cancer, heart disease, Alzheimer's disease, cataracts, Aids, depression and old age. Melatonin mania has been fuelled by best sellers such as The Melatonin Miracle by Walter Pierpaoli and William ageing, and Melatonin: your body's natural wonder drug by Russel Reiter and Jo Robinson. who claim it can counter cell damage caused by free radicals.

There is as yet no convincing support for either theory, but that has not slowed demand, and in some American states melatonin now outsells aspirin.



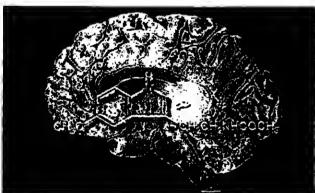
ment of Anatomy at Cam-bridge University, Dr Mike Hastings and Professor Francis Ebling are carrying out research into how melatonin controls the body's internal clock: "We have discovered that the brain has two mechanisms related to time," says Dr Hastings. "One regulates the daily, or circadian, rhythm of our lives, the other controls our response to seasonal changes. Both are sensitive to melatonin at the very low concentrations found naturally." The body clock is located in the hypothalamus, the body calendar in the nearby pituitary gland.

Melatonin can be manufactured easily, and when pure is pale yellow, with leaf-like crystals which melt at 117C. The pineal gland synthesises it from serotonin, the brain chemical that regulates mood, and this in turn is made from the essential amino acid tryptophan. They are all derivatives of indole, a simple molecule which has two rings of atoms closely joined together: one with six carbon atoms, the other with four carbons and a nitrogen.
The dermatologist Aaron

Lerner discovered melatonin in 1958. He reported that in frogs it caused dramatic changes to the colour of skin cells known as melanophores, and consequently named it melatonin. Since then it has been found to occur in organisms ranging from single cell algae to mammals. In humans it helps us to adjust our sleep patterns to the daily rotation of the planet and its annual cycle round the sun, and also controls our body temperature, reducing it slightly during the hours of sleep. In sheep and deer, melatonin signals the breeding season, while in other animals it causes moulting.

There are proper uses for melatonin; in helping those who frequently travel across changes in sleeping patterns has also been used to treat children suffering from disturbed sleep patterns. Allowing over-stressed managers to get a good night's sleep may also be another legitimate use.

Dr John Emsley is science writer in residence at Imperial College,





There has been concern that anti-parasite drugs given to cattle would kill the worms and insects that degrade their dung

# Relief among the cowpats

New drugs used to treat parasites are not causing the feared camage in the pastures. By Malcolm Smith

mounted in the past V six months about the products made from cows that humans consume - beef. sausages, even wine gums and lipstick - there has at least been some relief for conservationists over the cow products that even cows don't have a use for. That is, cowpats.

Only a few years ago, some worried that the modern drugs used by farmers to treat internal parasites in cattle would kill time-zones, or suffer abrupt off the insects and worms that normally degrade the nutrientlaced dung that is the visible end product of a cow's extended ruminations. There were fears that this would lead to n decline in the number of pasture birds that feed on these dung insects, and of earthworms, which congregate beneath the cowpats; and also that fields would be knee-deep in smelly, undegraded manure. Fortunately, it hasn't happened. But the news, though mostly

good, does have its downside. The cause of the initial worry was a new group of anti-parasite drugs called avermectins, which were introduced in 1981. Of these, lvermectin is regarded as the most effective. For cattle farmers they were revolutionary. Administered by miection or by mouth as a capsule that lodges in the rumen and releases its contents over a number of months, they kill both internal and skin parasites. had to inject a series of drugs

Thile the worries have to kill off a range of parasites which otherwise reduced the efficiency with which cows convert grass to body protein. However, the drugs are not

completely broken down by the

body before they are excreted. They can still be present in the dung at a concentration which, while low, can kill or disrupt the development of a wide range of insects and other dung-degrading invertebrates. In experiments quoted by Dr Paul Green of the British Trust for Oruithology, half of the larvae of the common yellow dung fly died when exposed to just 0.05 parts of Ivennectin per million. Lower concentrations caused major disruption to the fly's life cycle. Cattle dung from bolus-administered cattle contains 10 times this concentration of the drug.

But once in the pats, avermectins do break down. Research by Les Strong and Richard Wall of Bristol University shows that beetle larvae were unable to develop in dung from Ivermectin-injected cattle seven days after treatment, but that they could 14 days after a dose. Cattle treated with moxidectin (another, less effective, avermeetin) produced cowpais that were colonised as rapidly as drug-free dung.

Not all cattle are treated with avermectins anyway. "It's only worth treating young MSD Agvet, manufacturers of avermectins. "Older cows develop natural immunity to most parasites. On a typical

dairy farm there are perhaps five generations of cows, and it's only those of the youngest generation kept for future milking that are treated. So more than 90 per cent of the dung will be Ivermectin-free."

Most cattle are injected. Boluses are used to treat only about 3 per cent of cattle. Expense is one reason but, according to Mr Burns, the main reason is that the bolustreated cattle have to be kept on the same pasture all season. This is because parasites picked up by the cattle as they graze are killed off when they get inside the cow, which slowly renders the pasture parasite-free. Moving them to another pasture would expose them to more parasites, and necessitate repeat doses with the boluses as previous ones became exhausted. Not many farmers can provide sufficient grazing for the herd in

one place. "At current levels of use, Ivermectin reduces insect populations in about 10 per cent of dung or less," says Dr Green. "It doesn't appear to affect earthworms, one of the main

prey for many hirds feeding on The drugs may even provide

Because they kill parasites living on the skin - including warble flies and ticks, for instance - use of the highly toxic organophosphate washes and dips (which have been implicated in ome illnesses in farmers) has declined. Dr Green says that since ivermectins were first used to treat sheep scab in 1994, use of organophosphates against the disease has fallen by 20 per cent. The benefit is that, besides the

risks it poses to farmers, din is often allowed to wash away after use, frequently ending up in streams where it kills animal life.

To date there is no proven effect of ivermectin use on bird populations. Research has shown that insect populations around farms using them do decline, but such declines are local and short-lived: hirds are likely to move elsewhere to feed. And you are no more at risk of stepping in a cowpat if you walk across a pasture than you were before these highly effective drugs were introduced.

Thought for the day

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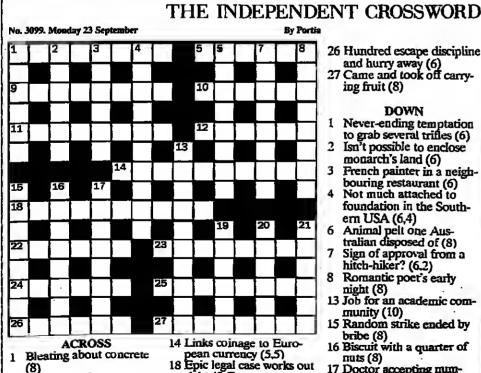
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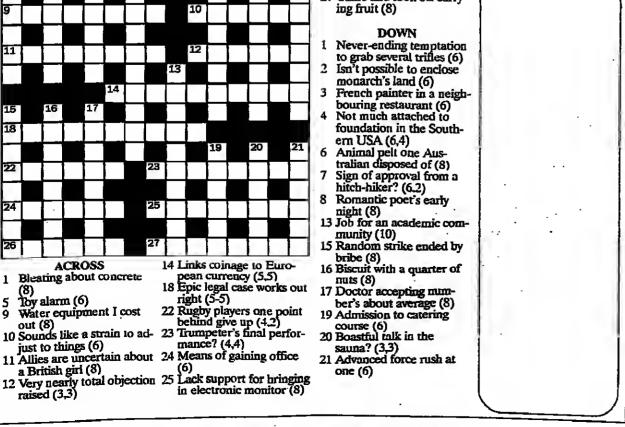
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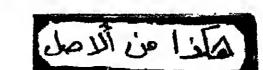


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